



DAILY REPORT

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CPC EXPANDS TIES WITH FOREIGN POLITICAL PARTIES

OW241323 Beijing XINHUA in English 0626 GMT 24 Dec 83

[Text] Beijing, December 24 (XINHUA) -- The Chinese Communist Party has held friendly contacts with more foreign communist and other political parties and organizations in 1983 than ever before, according to the International Liaison Department of the CPC Central Committee.

The greatest gains came in the CPC's relations with political parties in Europe and in newly-independent Third World countries. In its relations with other parties, the CPC strictly observes the principles of independence, equality, mutual respect and non-interference in each other's internal affairs, the department said. Contacts on the basis of these principles and sincere and frank exchanges of views have contributed to mutual understanding and friendship. The department said the CPC has always maintained that all parties, big or small, are equal and should learn from each other. They should make their own judgement on both internal and international issues independently by applying Marxism to the concrete conditions of their own countries. The CPC also takes strong exception to the practice of a "father party" issuing orders to others.

More than 50 party delegations from over 30 foreign countries visited China this year, while the CPC sent more than 30 delegations to 25 countries. Following the earlier restoration of relations with communist parties in Italy, Spain, France, Greece and the Netherlands, the CPC has also established or restored relations with the Unified Socialist Party of Mexico, the Belgian Communist Party, the Swedish Left Party (Communist), the Communist Party of India (Marxist), and the Communist Party of San Marino. Progress was also made in relations between the CPC and the Norwegian Workers' Communist Party, the Swedish Communist Party, the Belgian Labor Party, the Marxist-Leninist Communist Party from France, and the Communist Party of Australia (Marxist-Leninist).

The highlights of the year were: the visits of Hu Yaobang, general secretary of the CPC Central Committee, to Romania and Yugoslavia last May; the return visits of Constantin Dascalescu, member of the Executive Political Committee of the Romanian Communist Party Central Committee and Prime Minister of Romania, and Andrej Mrinc, member of the Central Committee of the League of Communists of Yugoslavia and president of the Slovenian Communist League Central Committee; the visit of Peng Zhen, member of the Political Bureau of the CPC Central Committee and chairman of the National People's Congress Standing Committee, and a Chinese party and government delegation to the Democratic People's Republic of Korea in September and the visit to China by Kim Chong-il, one of the principal leaders of the Korean Workers' Party. Enrico Berlinguer, general secretary of the Italian Communist Party, and Spanish Communist Party leaders also made vacation tours of China.

The CPC has so far established relations with more than 40 political parties in West Asian, African and Latin American countries. Closer ties with these parties, most being ruling parties, have led to better relations between China and these Third World countries. The CPC has reiterated its support for the national liberation movements in Southern Africa and the people of Central America, and condemned the United States for invading Grenada. The CPC has also helped promote Arab unity and given firm support to the Palestinian people.

Among the CPC contacts with socialist, social democratic and labor parties was the visit to China this year by a delegation from the Socialist Party of Japan, led by Chairman Masashi Ishibashi. The visit led to the official establishment of relations between the two parties and the scheduled return visit of a CPC delegation to Japan next year. Other contacts also included exchanges of visitors, study groups and delegations from party newspapers, magazines and schools.

FOREIGN LOANS USED TO IMPORT TECHNOLOGY

OW241928 Beijing XINHUA in English 1212 GMT 24 Dec 83

[Text] Beijing, December 24 (XINHUA) -- China ordered equipment and materials in 1983 worth more than 400 million U.S. dollars, using loans from foreign countries or international organizations, according to the China National Technical Import Corporation (CNTIC)

The equipment and materials will be used to help some of the key construction projects and promote industry, agriculture, science and education in China, CNTIC said. Capital goods worth 87 billion yen were imported this year with Japanese loans for the Qinhuangdao port in Hebei province, Shijiusuo port in Shandong, the Beijing-Qinhuangdao and two other railway lines and the Wuqiangxi hydroelectric power project in Hunan province. China has also made use of low-interest loans of 140 million U.S. dollars provided by Kuwait to purchase equipment for the Xiamen airport, a cement works in Anhui, and a chemical fertilizer plant in Urumqi, Xinjiang.

Last year, China imported technology for three food processing projects in Beijing, Heilongjiang and Jilin Provinces, using a 15 million-U.S. dollar interest-free loan from Denmark. Using a 200 million-U.S. dollar loan from the World Bank, China expects to equip 26 key colleges with computer centers, analyzing and testing centers and new laboratories. Loans from the international fund for agricultural development have been used to import machinery and other equipment for agricultural research and education and farm development projects.

XINHUA ON REAGAN VIEWED INTERNATIONAL PROBLEMS

OW251715 Beijing XINHUA in English 1653 GMT 25 Dec 83

[Text] Washington, December 24 (XINHUA) -- U.S. President Ronald Reagan said today he was "optimistic" about his Middle East peace plan, and the Soviet Union will come back to the Geneva arms control talks.

In an interview with wire service reporters, President Reagan said he thinks there is a good chance for progress in the Middle East peace process based on the peace initiative he made in 1982. He said that he once "believed that settlement in Lebanon had to precede going further" with his 1982 peace plan. "I do not think that is necessarily true now. I think enough progress has been made there that we can go forward with the peace movement."

Although he declined to characterize the talks between PLO leader Yasir 'Arafat and Egyptian President Hosni Mubarak as a breakthrough, he said he was "optimistic" about this. "Obviously, a part of that process depends on a fair and just settlement of the Palestinian question," the President added. Reagan denied that the new U.S.-Israel military cooperation agreement represents a "conspiracy."

On U.S.-Soviet relations, the President asserted that the deterrent effect of the U.S. military buildup has moved the United States and the Soviet Union back from possible confrontation. "If the Soviet Government wants peace, there will be no war," he declared. The President said that although the U.S.-Soviet Geneva arms reduction talks had broken off with no date set for their resumption, "we haven't broken off communications," and "I believe they (the Soviets) will be back" to the negotiating table. Asked if he will go for a summit with Soviet Leader Yuriy Andropov, Reagan answered, "I have always been willing to go if there is a possibility of accomplishing something."

Speaking of U.S. international relations, Reagan said, "I think we've got a finer relationship than we've had for a long time with our own friends and allies. This is particularly true in the efforts that we've made in Asia, as well as our long-time friends in Europe." On Central American issues, Reagan described the U.S. invasion of Grenada as a "rescue mission." Referring to relations with Nicaragua, Reagan said conciliatory signals from the leftist Nicaraguan Government are not enough for good relations with Washington. "I think that there is more they can do than they have done," he added.

ZHAO ZIYANG MEETS U.S. UNIVERSITY PRESIDENT

OW240858 Beijing XINHUA in English 0825 GMT 24 Dec 83

[Text] Beijing, December 24 (XINHUA) -- Premier Zhao Ziyang met with Professor Chia-wei Woo, president of the San Francisco State University, and Mrs Woo here today. They had a cordial conversation. Yan Dongsheng, vice-president of the Chinese Academy of Sciences, and Zhu Qizhen, assistant minister of foreign affairs, were present on the occasion.

Professor Woo is also first vice-president of the National Association of Chinese-Americans, which has done useful work to promote mutual understanding and friendship between the people of China and the United States. After his arrival here December 16 at the invitation of the Chinese Academy of Sciences, Professor Chia-wei Woo discussed matters related with cooperation in scientific research and education with the host academy.

U.S. CHILDREN'S PEACE DELEGATION VISITS

Meets Zhao Ziyang

OW251559 Beijing XINHUA in English 1439 GMT 25 Dec 83

[Text] Beijing, December 25 (XINHUA) -- Premier Zhao Ziyang today said he was fully confident that a new world war can be prevented so long as all peace-loving people unite to work for peace. Zhao Ziyang made this remark at a meeting here this afternoon with a delegation, named Children as Teachers of Peace Delegation, sponsored by the Round Table Foundation of the United States of America.

Pat Montandon, leader of the delegation and founder of the foundation, told Zhao that they had come to visit China because it is a peace-loving country.

The Round Table Foundation, an organization engaged in cultural exchanges in the fields of art, literature and education, is aimed at promoting mutual understanding and world peace through contacts between the people. It has organized children's delegations to visit foreign countries to appeal for peace. During the meeting a dozen of children sang songs expressing their desire for world peace so that millions upon millions of children would live a happy life. They also handed a letter full of feelings to Zhao Ziyang. Zhao expressed his appreciation for their journey for peace.

Children in China and their parents all love peace, and they are working for the maintenance of world peace, Zhao said, adding that children in China, the United States and the rest of the world have the right to grow up and live in peace.

Meets Kang Keqing

OW261040 Beijing XINHUA in English 1030 GMT 26 Dec 83

[Text] Beijing, December 26 (XINHUA) -- Kang Keqing, chairman of the Chinese People's National Committee for the Defense of Children, had a lively conversation here this afternoon with a delegation, named Children as Teachers of Peace Delegation, sponsored by the Round Table Foundation of the United States.

Kang Keqing is also vice-chairman of the National Committee of the Chinese People's Political Consultative Conference and president of the All-China Women's Federation. The delegation, led by Pat Montandon, arrived here December 22 and is scheduled to leave for India tomorrow.

FANG YI FETES U.S. PHYSICIST C.N. YANG

LD262120 Beijing XINHUA in English 1430 GMT 26 Dec 83

[Text] Beijing, December 26 (XINHUA) -- State Councillor Fang Yi gave a dinner in the Great Hall of the People here this evening for C.N. Yang, noted U.S. physicist and professor at the State University of New York at Stony Brook.

As a guest of the Chinese Academy of Sciences, Professor Yang has been invited to give lectures to postgraduates at the Institute of High Energy Physics of the academy. Present on the occasion were Yan Dongsheng, vice-president of the academy and Zhang Wenyu, director of the Institute of High Energy Physics of the academy.

CHEN XITONG GIVES IMPRESSIONS OF U.S. VISIT

OW241652 Beijing XINHUA in English 1629 GMT 24 Dec 83

[Text] Beijing, December 24 (XINHUA) -- Beijing's Mayor Chen Xitong said here today that during his recent visit to the United States he found that American people had a strong desire to promote friendly relations with the Chinese capital.

Chen Xitong was speaking at a press conference held here this afternoon on the impression of the Beijing municipal goodwill delegation's visit to the United States between November 28 and December 10. Chen, head of the delegation, said that he and his party were deeply impressed by the warm reception accorded them by the American people wherever they went. During the visit, the mayor said, he found that the experiences in municipal management and services, afforestation in urban living quarters and traffic control were worthwhile studying. Chen Xitong said while in New York City he and Mayor Edward Koch signed a memorandum specifying friendly exchanges between the two cities in 1984-1985. "We are making active preparations for promoting economic and trade cooperation between the two cities according to the memorandum," he added. He said his delegation had discussed with people from economic, banking and industrial circles matters of mutual interest such as food industry, electronics, building materials and traffic control. It was expected that there would be more technological exchanges in these fields, he said. Chen Xitong said Mayor Marion Barry of Washington had accepted his invitation to visit Beijing next year to further enhance the friendly ties between the two cities.

XINHUA VIEWS 1984 PROSPECTS FOR U.S. ECONOMY

OW250858 Beijing XINHUA in English 0753 GMT 25 Dec 83

[Text] Washington December 25 (XINHUA correspondent Yu Enguang) -- U.S. economy experienced a robust recovery in 1983, and economists predict that 1984 will be a year of continuing, but somewhat slower, economic expansion.

In November 1982, when the 8th postwar recession reached its bottom, the economy began to move again. Since then, the economy has expanded much faster than most economists had expected. The growth of the gross national product (GNP) in the final quarter of 1983 is estimated at 4.5 percent, as against 7.7 percent in the third quarter, 9.7 percent in the second and 2.6 percent in the first. The enterprises are now using 78.6 percent of their capacity, a 9 percent increase as compared with the lowest level of the recession period. The unemployment rate, which hit 10.8 percent in December 1982, dropped to 8.4 percent last month. Inflation has been modest, at a rate of less than 4 percent for the whole year.

It is estimated that GNP will grow 4 percent to 5 percent in 1984. Inflation will continue to be modest through the year, about 5 percent. Unemployment will further reduce a bit to 8 percent. The expected continuing growth of the economy is based mainly on the following estimates:

-- Further growth of the income and demand of consumers. Consumers' income has increased by an average margin of 6 percent since last January. The yearly retails sales increase is 14.1 percent. Because of the strong demand, most enterprises need to replenish their stocks.

-- A further growth in company profits and capital investment. In the third quarter of 1983, company profits increased 11.6 percent as compared with the corresponding period of last year with auto, shipping and housing building sectors registering the most impressive rises. Business investment for the whole year stands at 304 billion dollars and will climb to 333 billion dollars in 1984.

-- The dollar remaining strong. The soaring dollar has attracted foreign capital into the United States. Economists said that as the dollar will not decline in a short time, it will continue to contribute to money supply on domestic market and help enterprises to raise funds. What is more, supply will still exceed demand on the world oil market. The subsequent stable prices will benefit U.S. enterprises largely depending on imported energy.

Viewed in political dimensions, as the presidential election is going to start, President Reagan will seek to support the growing trend of the economy with financial and monetary policies in order to be re-elected. However, the recovery in 1983 is unbalanced and it has left hidden troubles for the economy in 1984.

The huge deficit and high interest rates are the biggest obstacles to a quicker economic upturn. In the 1983 fiscal year, which ended on last September 30, the budgetary deficit hit an all-time high of 195.4 billion dollars, substantially exceeding the previous record deficit of 110 billion dollars in 1982, or more than three times the level when President Ronald Reagan took office. U.S. officials estimated the annual deficit in fiscal 1984-86 to be around 200 billion dollars, which is more than 4.5 percent of GNP in the United States. The huge deficit will inevitably lead to a keen contention for funds between the government and the private sector on the monetary market, and could force interest rates higher and constrain business investment. The deficit will also up the national debt. Recently, U.S. Congress, upon Reagan's request, had to raise the ceiling of debt to 1,450 billion dollars. The Federal Government's interest payments will increase to 100 billion dollars. The red ink will also force an increase of money supply and create the danger of inflation.

Another threat to the economic recovery is the impact of the growing trade deficit on the development of production and reduction of unemployment. The high interest rates, while attracting foreign investment, will keep the dollar soaring and weaken the competitive capability of U.S. products on the international market. According to the U.S. Commerce Department, the U.S. trade deficit has topped 56.6 billion dollars in the first 10 months of 1983. The department forecasted a trade deficit of 70 billion dollars for 1983 and 100 billion dollars for 1984, more than double the 1982 record. The gaps between U.S. imports and exports cut 1.5 million jobs for the Americans in 1983 and will reduce another two million in 1984.

The world economy is also likely to have a negative effect on the U.S. economy. In 1983, the U.S. economy failed to stimulate a quick recovery in other developed countries. Instead, the strong dollar took away their capital and precipitated higher interest rates in Western Europe. In such circumstances, economists estimated that Western Europe gains only a 0.5 percent increase in its economy in 1983. Meanwhile, most developing countries, especially those big ones in Latin America, are pursuing austerity policies to deal with their debt crises. Oil-producing nations are also limiting their construction scale with the reduction of their oil income. All these will continue to spell certain restrictions on the pace of the U.S. economic recovery.

The above economic problems have already aroused hot debates in the U.S. A group led by Martin Feldstein, chairman of the President's Council of Economic Advisers, argued that the excessive deficit will drive interest rates high enough to choke off the boom unless tax is raised and military spending is cut to reduce the nearly 200 billion dollars deficit projected for 1984. Feldstein said that the longer the deficit is expected to persist, the greater the risks to the U.S. economic future.

Another group headed by Treasury Secretary Donald Regan held that the deficit will not affect the recovery as it will decline naturally with the growth of the economy. They said that the Congress is responsible for the deficit since it has not drastically cut civil spending, and they demanded big social spending cuts.

It is indicated that President Reagan, to stabilize the situation, can hardly use any radical remedy to cure the economy. His new annual budget to be submitted in January is surely a "mixed and moderate remedy." Therefore, no surprising changes are expected to appear in the economy in 1984. The U.S. TIME magazine said recently that the U.S. economy in 1984 will be a "lopsided recovery with lower pace." Economist Albert Sommers pointed out that "it's hard to imagine a stronger situation in 1984 than the one we're in right now."

RENMIN RIBAO REVIEWS U.S. ECONOMIC RECOVERY

HK260809 Beijing RENMIN RIBAO in Chinese 23 Dec 83 p 7

["Year-End Review" by Zhang Zhenya: "U.S. Economic Upturn"]

[Text] This year, 1983, the West has begun to recover from its economic crisis. However, the economies of most industrialized countries are still in a state of half-stagnation, and industrial production has not yet been restored to the level it was at before the crisis. The problem of unemployment in some principal industrialized states is even getting worse. In spite of all this, the U.S. economy is going up again at quite a fast pace. The average annual growth rate of the United States' GNP is estimated to be 3.5 percent, whereas that of the West European states is estimated to be 0.5 percent and that of Japan 3.4 percent.

Because of the relatively fast upturn of the U.S. economy, the actual GNP, which was originally estimated to be restored to the pre-crisis level by the end of the year, was restored to the pre-crisis level in the third quarter. At first, the Reagan administration estimated that the unemployment rate in the United States would only drop to 10.4 percent by the end of the year, but this target was accomplished in April. Elsewhere, the growth in productivity, the rise in the amount of spending by consumers, the big companies' enthusiasm for investment, and so on have exceeded people's expectations.

The fast upturn of the U.S. economy is inseparable from its prolonged economic stagnation. Since 1979, the United States has experienced two consecutive economic declines. This has never happened before in the past 50 years. During this period, enterprises closed in great numbers, many workers lost their jobs, and the productive force was greatly impaired. In addition, U.S. consumer demand for houses, automobiles, and other durable goods lessened. Once the conditions for economic recovery have matured -- for example, prices begin to be stable, interest rates begin to drop, incomes of the consumers increase, the enterprises begin to step up production with the drop in production cost, more people are employed, the enterprises begin to replenish stocks, and so on -- the long suppressed market demands and economic vitality will then violently erupt. This is the principal factor for the tremendous momentum of the present U.S. economic growth.

Under the influence of President Reagan's grand-scale tax reduction to stimulate the economy, the U.S. federal deficit in the fiscal year 1983 amounted to about \$200 billion, or the sum total of the deficits of the budgets in the 4 years of President Carter's presidency. The rapid recovery of the U.S. economy is also a result of the impetus given to the economy by this large deficit.

The inflation rate in the United States has dropped from 13 percent 2 years ago to 4 percent, the lowest in the recent 10 years, and the unemployment rate dropped from 10.8 percent at the beginning of the year to 8.4 percent in November. The number of unemployed people decreased by 2.5 million; the unemployment rate is equal to that in the fourth quarter of 1981. The rate of economic growth is about the same as the economic upturn rates in the first years immediately following the crisis in the post-war United States. All this is favorable for the development of the U.S. economy in the coming year.

The total output value of the U.S. economy constitutes 38 percent of the total output value of the economies of the 24 most industrialized countries in the West. In addition, its volume of foreign trade is quite large. Thus, it plays the role of an economic locomotive in the economy of the West. With the rapid U.S. economic upturn and the relative stagnation of the foreign markets since the beginning of this year, it is likely that there will be a deficit of \$70 billion in U.S. foreign trade, and the figure can even become \$100 billion in the next year. A U.S. deficit means surpluses for other countries. Thus, the rapid U.S. economic upturn and the great absorptive capacity of the U.S. market should be good news to Japan and the Third World.

However, this advantage is either impaired by the protectionism which is gaining ground with the increasingly large deficit in U.S. foreign trade or offset by the financial policy of high interest rates, high U.S. dollar exchange rates, and large deficits by which the United States benefits itself at the expense of others. The high interest rates in the United States and high U.S. dollar exchange rates in the past 2 years were largely a result of the large U.S. budget deficits. The great debts of the U.S. Federal Government forced it to borrow money in the domestic market. Consequently, there was a shortage of capital and interest rates went up. As the United States is the largest financial center in the West, the high interest rates in the United States and the constantly rising U.S. dollar exchange rates have resulted in a great inflow of capital from the West into the United States. Consequently, the world's monetary and financial organizations have been adversely affected and the European monetary system has been repeatedly forced to carry out adjustments. The French franc has been devaluated several times. At first, the West European countries and Japan wanted to speed up economic recovery by lowering interest rates. However, the capital they needed was drawn into the United States in great amounts to be used in filling up the shortage of capital in the U.S. domestic market caused by the U.S. deficits. Consequently, the economic and financial policies of the West European countries were greatly and adversely affected. In addition, the debts owed by the Third World countries are calculated in U.S. dollars. The rise in U.S. dollar exchange rates and interest rates has brought about an international crisis of the developing countries generally having difficulties in paying debts.

In late May, at the summit conference of the heads of seven countries held in Williamsburg, the leaders of Japan, Canada, and the West European countries held intense talks with the U.S. President, asking the United States to solve the problems of large deficits, high interest rates, high U.S. dollar exchange rates, protectionism, international liabilities, unemployment, and so on. Although the greater part of a year has elapsed, not much progress has been made. The complicated factors mentioned above will have an influence on the U.S. economic situation. Whether there will be a deficit as large as that of this year, smaller deficits as a result of the turn for the better in the economy, or the high interest rates and high U.S. dollar exchange rates coming down a bit as expected will have important consequences for the U.S. economy as well as for the economic development of West Europe, Japan, and the Third World countries. It has been generally estimated that the U.S. economic upturn in the next year will not be as rapid as that in this year. It will become slower.

ANDROPOV SPEECH READ AT CENTRAL COMMITTEE PLENUM

OW271110 Beijing XINHUA in English 1053 GMT 27 Dec 83

[Text] Moscow, December 26 (XINHUA) -- Soviet Communist Party Leader Yuriy Andropov, not seen in public since August, failed to attend a party plenary meeting today but a lengthy written speech written by him was read at the meeting.

"I deeply regret that because of temporary causes I will not be able to attend the session of the plenum," the Soviet leader wrote to the plenary meeting of the Central Committee of the Communist Party of the Soviet Union when it opened here today. He said that because of some measures taken, "the rates of economic growth have increased, and quality indicators have somewhat risen," in the 1983 Soviet economy. The most important thing now is not to lose the tempo and the general positive intent to get things going, and more actively to develop positive processes," he said.

Andropov said, "Everything necessary has been envisaged to maintain the country's defence capacity at a proper level" and admitted it will be quite hard to keep a balanced plan for the next year. In the present international situation which has been sharply aggravated by "aggressive imperialist circles," he said, "the strict implementation of the state plan becomes not just an obligation but also a patriotic duty of every Soviet person." Though measures adopted this year have slightly improved the food supply for the Soviet people, the solution of the problem is still the "first duty" of the Soviet party and administrative organs, he said. He criticized the slow progress in the improvement of the quality of industrial and consumer goods, saying that many goods were in short supply while products of poor quality were piled in storerooms.

Andropov, who is also president of the Presidium of the USSR Supreme Soviet, said that to improve the economic management system is a "strategic issue," to develop the Soviet national economy. He admitted there were many shortcomings in the planning work and advocated a comprehensive improvement of the whole management system.

XINHUA REPORTS ON CENTRAL COMMITTEE PLENUM

OW261950 Beijing XINHUA in English 1944 GMT 26 Dec 83

[Text] Moscow, December 26 (XINHUA) -- The Central Committee of the Communist Party of the Soviet Union (CPSU) began its plenary meeting here today. General Secretary Yuriy Andropov who has not been seen for about three months failed to attend the meeting but delivered a written speech.

TASS reported that at the meeting N.K. Baybakov, vice-chairman of the Ministers' Council and chairman of the State Planning Committee, made a report on next year's economic plan, and V.F. Garbuzov, minister of finance, made a report on next year's state budget. TASS said the meeting studied Andropov's written speech and expressed full support for it. The meeting also discussed the plan and budget of the next year. V.I. Vorotnikov, alternate Politburo member and chairman of the Council of Ministers of the Russian Soviet Federative Socialist Republic, and M.S. Solomentsev, chairman of the Party Control Commission under the Central Committee of the CPSU, were promoted to become members of the Political Bureau of the Party Central Committee. V.M. Chebrikov, chairman of the State Security Committee of the USSR, was elected alternate member of the party Politburo and E.K. Ligachov, director of the Department for Organizational and Party Questions of the CPSU Central Committee, was elected member of the Secretariat of the Party Central Committee. The plenary meeting is still going on.

NAKASONE COMMENTS ON HU VISIT, BILATERAL TIES

OW232028 Beijing XINHUA in English 1833 GMT 23 Dec 83

[Text] Tokyo, December 23 (XINHUA) -- Prime Minister Yasuhiro Nakasone today described Chinese Communist Party General Secretary Hu Yaobang's November visit to Japan as "very significant and important" for the advancement of cordial Sino-Japanese relations. In his message of greetings for the new year to the Japan-China Friendship Association (JCFA), Nakasone said the visit "is most fruitful and I firmly believe that it has strengthened the foundation for friendship and cooperation between the two nations." The message, entitled "Leave to Our Youth a Shining 21st Century," is printed in the January 1 special spring issue of the JCFA magazine NIHON TO CHUGOKU (Japan and China).

Nakasone said that during his talks with Hu Yaobang last month he proposed the establishment of a "Japan-China Committee for Friendship in the 21st Century" to ensure solid and enduring amicable relations between the two countries. He reiterated then the resolve to settle all issues between the two countries by peaceful means instead of resorting to force, he said. The message ends by saying: "So long as the governments and peoples of the two countries go on striving unrelentingly for mutual understanding and trust, the future will hold out great promises for friendship and cooperation between Japan and China."

JCFA Chairman Tokuma Utsunomiya said in his new year message in the same magazine that JCFA will work harder to carry forward the friendship and communication between the youths of the two countries.

NAKASONE REELECTED JAPAN'S PRIME MINISTER

OW261200 Beijing XINHUA in English 1152 GMT 26 Dec 83

[Text] Tokyo, December 26 (XINHUA) -- Liberal Democratic Party (LDP) President Yasuhiro Nakasone was reelected Japan's prime minister today at the 101st special session of the Diet and will form his second Cabinet. Nakasone garnered 265 votes in the Lower House and 131 votes in the Upper House. Six candidates of opposition parties all failed to get half of the eligible votes -- 256 in the Lower House and 126 in the Upper House. The former Cabinet resigned this morning and Nakasone now faced the first thorny problem after his re-election of arranging for the portfolios of his second Cabinet. Nakasone is expected to form the new Cabinet this evening if all goes well.

In another development, Kenji Fukunaga of Zenko Suzuki faction in the LDP and Seiji Katsumata of the Socialist Party, the largest opposition group, were elected speaker and vice-speaker of the Lower House at the House's plenary session this afternoon.

Postelection Statement

OW241954 Beijing XINHUA in English 1600 GMT 24 Dec 83

[Text] Tokyo, December 24 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone today apologized for his Liberal Democratic Party's setback in Sunday's general election and promised to create "a fresh and clean party."

In a statement endorsed by the executives of the party following yesterday's consultation of the party's supreme advisory body, Nakasone, as president of the party, admitted responsibility for the party's defeat in the election.

The principal causes of the defeat, he said, were the Tanaka issue and political ethics, which had aroused resentment among the people. He indicated that "from now on, the so-called Tanaka's political influence will have to be completely eradicated."

He pledged to make the party "fresh and clean" by strengthening party unity, impartially distributing Cabinet seats and the party's leading posts and handling party affairs in a just way. He said that at this critical moment, he would make a courageous and resolute reform of the party as a fresh starting point for future work.

The Japanese daily MAINICHI SHIMBUN reported today that the LDP supreme advisory body agreed yesterday that after he published his "president's statement," Nakasone would be nominated as candidate in the election of the prime minister in the coming session of the Diet (Parliament). After the LDP supreme advisory body's meeting yesterday, former Prime Minister Takeo Fukuda said that the publication of the "President's statement" would mean the Tanaka issue was cleared.

Former Prime Minister Kakuei Tanaka was convicted on bribery charges in October. His case was the impetus for the "political ethics" issue which impaired the Liberal Democratic Party in the December 18 election.

It is reported that Yasuhiro Nakasone is preparing for the convocation of the first special Diet session on December 26 following the general election of the Lower House, considering the selection of the Lower House speaker, the executives of the party and Cabinet members. He is expected to form his second Cabinet on December 26.

WHITE PAPER SAYS JAPAN SHOULD BE NORTH-SOUTH BRIDGE'

OW231325 Beijing XINHUA in English 1042 GMT 23 Dec 83

[Text] Tokyo, December 23 (XINHUA) -- A Japanese white paper on international economic cooperation deemed it a pressing task to increase inter-dependence between the South and the North and said that Japan should play the role of a bridge between them through greater economic cooperation.

The white paper, published yesterday by the Ministry of International Trade and Industry, held that economic ties between the developed and developing countries should be considered reciprocally beneficial and that the outdated view that only the South needs help from the North should be changed. To develop their independent economies, the white paper said, the developing countries should not merely depend on the aid of the government of developed countries, they should also promote trade and encourage investment.

SINO-JAPANESE NUCLEAR TALKS END IN BEIJING

OW230207 Tokyo KYODO in English 0200 GMT 23 Dec 83

[Text] Beijing Dec 22 (KYODO) -- Japan and China wound up a three-day negotiation Thursday with an accord on the need to conclude a bilateral atomic power agreement, Japanese officials said.

The two countries failed to agree, however, on whether safeguard provisions should be included in such an agreement to limit nuclear power utilization to peaceful purposes, the officials said. China has adamantly refused on-the-field inspections even by the International Atomic Energy Agency (IAEA) on its nuclear facilities. The two countries will resume the talks in Tokyo early next year, the officials said.

DPRK CONDEMNS U.S. NUCLEAR SHIPMENTS TO ROK

OW240928 Beijing XINHUA In English 0716 GMT 24 Dec 83

[Text] Pyongyang, December 24 (XINHUA) -- The Democratic People's Republic of Korea (DPRK) strongly condemned the United States yesterday for continuously shipping nuclear weapons into the southern part of the Korean peninsula.

During the 423rd meeting at the truce village of Panmunjom called for by the Korean-Chinese side of the Military Armistice Commission, chief DPRK delegate Major General Li Tae-ho said the United States began a constant shipment of nuclear weapons into the southern part of the peninsula in 1957 in violation of the relevant articles of the armistice agreement banning shipment of arms from outside into Korea. With about 1,000 nuclear weapons of different kinds deployed by the United States in the Southern part of the peninsula, the Korean people feel challenged, Li said. He reiterated the demand for the withdrawal of U.S. troops from the south so as to turn the armistice agreement of Korea into a peace agreement.

DPRK SCORES TECHNICAL INNOVATION SUCCESSES

OW230519 Beijing XINHUA Domestic Service in Chinese 1536 GMT 20 Dec 83

[By reporter Gao Haorong]

[Text] Pyongyang, 20 Dec (XINHUA) -- Technical innovation has been carried out in a big way this year on the industrial front in Korea, producing remarkable results in increased output and greater economy.

Many forms of technical innovation contingents organized in the past few years in Korea, such as the "15 April technical innovation shock brigades," the "17 February scientific and technical workers shock brigades" and the "youth technical innovation shock brigades," have been active in factories and enterprises, working together with the cadres, workers and staff members of the factories and enterprises to tap potential for higher output and better economy through technical innovation. Since the beginning of this year, more than 44,800 technical innovation projects have been carried out in Korea, saving for the state more than 380 million kilowatt-hours of electric power, 267,000 metric tons of steel products, 1.36 million metric tons of coal, 59,000 metric tons of crude oil and a lot of manpower.

The Kumsong tractor factory, an important tractor-producing base in Korea, has carried out more than 30 important technical innovations in the past year or so, reducing the labor intensity for workers, saving a great deal of labor, power and steel and increasing tractor production by 50 percent. Recently this reporter learned on a news-gathering tour of Sinuiju that the Sinuiju chemical fiber plant, which uses reeds as raw material, has carried out 400 technical innovations in this year and increased its output value by 3.5 million won (Korean currency).

Korea's various forms of technical innovation shock brigades are playing an active role in local enterprises. In Kangwon Province, the shock brigades in factories and enterprises have closely linked the development of mass technical innovation activities with the movement to create "speed of the 1980's." On the principle of giving priority to technical innovation plans which will bring greater economic returns, they have concentrated their efforts on major projects. Up to October in this year the factories and enterprises in the province had carried out more than 8,000 technical innovation projects, which have a positive effect on transforming old technology, improving product quality and increasing product variety and have also saved a lot of raw and semifinished materials for the state. More than 2,500 technical innovations were carried out in North Pyongan Province in the first half of this year, laying a technical foundation for further increasing production and practicing economy.

DENG XIAOPING MEETS SIHANOUK DELEGATION

OW240830 Beijing XINHUA in English 0751 GMT 24 Dec 83

[Text] Beijing, December 24 (XINHUA) -- China and Democratic Kampuchea [DK] are waging a common struggle against hegemonism and in defence of world peace, with Democratic Kampuchea standing at the forefront of the struggle.

Deng Xiaoping, chairman of the Central Advisory Commission of the Chinese Communist Party, said this to the three visiting leaders from Democratic Kampuchea, President Samdech Norodom Sihanouk, Prime Minister Son Sann and Vice-President Khieu Samphan, at a meeting in the Diaoyutai guest house here this morning.

The unity of all the forces resisting Vietnamese aggression is the most reliable guarantee for the victory in Kampuchea's struggle for national independence and liberation, he added.

Deng Xiaoping said that the most important feature of the Democratic Kampuchean delegation led by President Sihanouk is its embodiment of the unity and alliance of the three parties in Democratic Kampuchea. "This unity and alliance," he added, "is the guarantee for the victory in your struggle for national independence and liberation as well as for the establishment of an independent, peaceful, democratic, neutral and non-aligned Kampuchea after winning independence. China sets great store by your unity. We will continue to support your just struggle as before."

Samdech Sihanouk told the Chinese leader that never has the Coalition Government of Democratic Kampuchea been so united as today, nor have the patriots in Kampuchea and abroad been so united. "We, the three of us, will devote ourselves to the unity of the three patriotic forces," he pledged. "We will remain united as one, fear no sacrifice and persist in struggle until the Vietnamese aggressors are driven out of our soil."

In the name of the Coalition Government, people and Patriotic Armed Forces of Democratic Kampuchea, he expressed thanks to China for its assistance to them, which, he said, is vital to their present struggle for liberation as well as national reconstruction in the future.

Son Sann said that he is more confident than ever before of the struggle against Vietnamese aggression and for national liberation. "On my current visit to China together with Samdech Sihanouk and Vice-President Khieu Samphan, I have seen with my own eyes that the Chinese people are giving us all-out support. Ours is a just struggle and a just cause is bound to win. The Vietnamese are afraid of our unity, so we, the three parties, must uphold unity and treat each other in a spirit of mutual accommodation," he stated.

Khieu Samphan said that the three parties of Democratic Kampuchea will continue to work for their cause of united struggle against Vietnam till final victory.

Later, Deng gave a luncheon for the Kampuchean visitors. Among those present was Chinese State Councillor and Foreign Minister Wu Xueqian.

FOREIGN MINISTRY LAUDS NETHERLANDS' SUBMARINE DECISION

OW240850 Beijing XINHUA in English 0822 GMT 24 Dec 83

[Text] Beijing, December 24 (XINHUA) -- "The Chinese Government welcomes and appreciates the sensible decision of the Dutch Government in declining the sale of four more submarines to Taiwan," a spokesman for the Chinese Foreign Ministry told XINHUA today.

The spokesman said, "The Chinese Government holds that this will contribute to the improvement of relations between China and the Netherlands." He added, "We hope that Sino-Dutch relations will develop in accordance with the principles provided for in the 1972 joint communique on upgrading diplomatic relations between the two countries."

WANG ZHEN GIVES DINNER FOR FRENCH GUESTS

LD262111 Beijing XINHUA in English 1316 GMT 26 Dec 83

[Text] Beijing, December 26 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee, met and had a friendly talk here this evening with a delegation from the French Research Institute of Marxism.

After the meeting, Wang Zhen, also president of the Party School of the CPC Central Committee, gave a dinner for the delegation led by Jacques Chambaz, member of the [word indistinct] Committee of the French Communist Party and a leading member of the institute.

Qian Liren, head of the International Liaison Department of the CPC Central Committee, and Han Shuying, vice-president of the Party School of the CPC Central Committee, were present at the meeting. Since their arrival in China on December 14, the French guests have visited Shanghai, Guangzhou and Shenzhen and are scheduled to leave here for home tomorrow.

HAO JIANXIU MEETS ITALIAN YOUTH DELEGATION

OW261150 Beijing XINHUA in English 1143 GMT 26 Dec 83

[Text] Beijing, December 26 (XINHUA) -- Hao Jianxiu, alternate member of the Secretariat of the Chinese Communist Party Central Committee, met here this afternoon with a delegation from the Italian Communist Youth Federation headed by Maurizio Vinci, member of its Secretariat. Wang Zhaoguo, first secretary of the Central Committee of the Chinese Communist Youth League, was present.

The Italian guests, arriving here on December 22, had a discussion on youth work with Liu Yandong, member of the secretariat of the Chinese CYI Central Committee. They are scheduled to tour Guangzhou, Guilin and Shanghai following their visit here.

YEAR-ENDER ANALYZES THATCHER GOVERNMENT

OW231926 Beijing XINHUA in English 1916 GMT 23 Dec 83

["Year-Enders: Six Months of British Conservative Government After Relection" -- XINHUA headline]

[Text] London, December 23 (XINHUA correspondent Yang Yi) -- The British Conservative Government has made only average achievements since it won a second term of office in June and is now confronted with a grim situation. The latest public opinion poll showed that the popularity of the Conservative Government and Prime Minister Margaret Thatcher has been declining notably. The survey indicated that more than half of Britons disapproved of the Thatcher Government's performance since its re-election and the gap between the Labor Party and the ruling Conservative Party has been narrowed considerably.

Observers and pro-Conservative newspapers here pointed out that the government lacks a clear-cut domestic policy and so it has not been able to lay down an effective program and has left on people the impression that it has been in a state of inertia. Mrs. Thatcher began an overall reshuffle of her government soon after the June reelection, but the contradictions within the party have not been mitigated. Over the past few months, the Conservatives have now and then wrangled over such issues as retrenchment on public spending, social welfare cut-backs, and whether to give priority to curbing inflation or to reducing unemployment. In the recent dispute between the printers trade union and the employers, the government was partial to the latter and adopted repressive measures against the workers, thus intensifying the class contradictions and planting the seeds of social unrest.

The economic recovery is continuing in this country with the annual inflation rate down to 4.8 percent in November and industrial production up one percent during August, September and October against the previous three months. But the recovery is slow, weak and unsteady: the number of jobless people remains at over three million; industrial investment stays at a low level; the first 10 months of the year registered a foreign trade deficit of 2.3 billion dollars; and the first nine months saw business bankruptcies increasing nine percent compared with the same period of last year.

The Conservative Government still holds that the monetarism policy is the best prescription to the nation's economic ills. But economists here predicted that the country's economy would only show an undulating slow recovery in 1984. Domestic consumer demands might increase, but British products' weak international competitiveness would possibly leave the country in an international payments deficit. High unemployment, which would not only increase the government's financial burden but also affect the social stability, would remain a headache for the government.

It is noticeable that there have been signs of changes in Britain's external relations. The traditional Anglo-U.S. relationship has recently undergone repeated tests. When the United States invaded Grenada in late October, the U.S. administration had not informed Britain of its planned operation beforehand and ignored Mrs. Thatcher's dissent after the event, thus arousing resentment among British public opinion. This, together with the U.S. actions in the Middle East, has deepened the British people's distrust of the United States. They are afraid that the deployment of U.S. cruise missiles in Western Europe would cause trouble for Britain and bring the country under U.S. control. Put in a dilemma, the British Conservative Government could not but come out openly to criticize the United States. Recently in the House of Commons, Mrs. Thatcher again took the United States to task for its policy of huge deficit and high interest rates "which are extremely damaging to this country."

The subtle changes in Anglo-U.S. relations have prompted Britain to pay more attention to the strengthening of its ties with the European Economic Community (EEC). But the Conservative Government was disheartened when the EEC failed earlier this month to reach agreement on budget distributions and farm policy.

Faced with such a situation, the government recently stressed time and again the necessity of co-existence and dialogue with the Soviet Union. Mrs. Thatcher is planning to visit Hungary early next year and there have been rumors that the prime minister would visit Moscow next summer. Moreover, the Conservative Government has attached more importance to the development of its relations with the Third World countries and has placed high hopes on the promotion of cooperation and trade with China.

As it is still three or four years away from the next general elections in Britain and various kinds of contradictions are in the brewing stage, and if no sudden emergencies take place, it appears that there will not be any turmoil in the political situation in Britain for the time being.

PRC AMBASSADOR TO PORTUGAL LEAVES POST FOR HOME

OW260118 Beijing XINHUA in English 0055 GMT 24 Dec 83

[Text] Lisbon, December 23 (XINHUA) -- Yang Qiliang, the first Chinese ambassador to Portugal, terminated his term and left here for home today.

Before his leaving, he had talks with Portuguese President Ramalho Eanes, Prime Minister Mario Soares, Vice-Prime Minister Mota Pinto and Foreign Minister Jaime Gama on separate occasions. Both sides expressed the hope that relations between China and Portugal would be developed further.

DENG WRITES INSCRIPTION FOR MAO'S RESIDENCE, HALL

GW230507 Beijing XINHUA Domestic Service in Chinese 1555 GMT 17 Dec 83

[By reporter Yang Shangqing]

[Text] Changsha, 17 Dec (XINHUA) -- With the 90th birth anniversary of Comrade Mao Zedong drawing near, his former residence and the memorial hall in Shaoshan have been renovated and part of the exhibits in the memorial hall have been adjusted. Comrade Deng Xiaoping has inscribed a horizontal board for the former residence and a signboard for the memorial hall bearing these characters, respectively: "Former Residence of Comrade Mao Zedong" and "Memorial Hall for Comrade Mao Zedong in Shaoshan."

In December last year, the CPC Central Committee approved a report submitted by the Hunan Provincial CPC Committee and agreed to change the name of the "Old Residence [jia zhu] 283 1446] of Comrade Mao Zedong" in Shaoshan to the "Former Resident [gu ju] 2399 [] of Comrade Mao Zedong" and the "Exhibition Hall at the Old Residence of Comrade Mao Zedong" to the "Memorial Hall for Comrade Mao Zedong in Shaoshan," where his biographical materials are exhibited.

To commemorate Comrade Mao Zedong's 90th birth anniversary with concrete action and in an integrated way and to accurately publicize Mao Zedong Thought and scientifically display the historical materials on Comrade Mao Zedong's life, the comrades of the memorial hall have adjusted some of the exhibits under the leadership of the party and government organizations at the higher level. Exhibits showing Comrade Mao Zedong's deeds from his birth up to 1927 are now adjusted and are displayed in four rooms.

The first room covers his childhood and youth; the second room shows his deeds in the period when the Communist Party of China was being founded; the third room displays materials about Comrade Mao Zedong's deeds during the period of the first revolutionary civil war; and the fourth room shows his revolutionary family.

In these four rooms 146 objects are newly added exhibits. They include 52 articles, letters, inscriptions, and manuscripts written by Comrade Mao Zedong and 15 historical documents.

The exhibits manifest the viewpoint of historical materialism and fully affirm Comrade Mao Zedong's great contributions to the founding of the party and his position in history as the founder of the party. They prominently show the important and salient features of his deeds, provide more historical materials on his activities in the early period, and manifest a better handling of the relations among leaders, political parties, classes, and masses. While giving prominence to the propaganda on Mao Zedong, the exhibits also publicize the history of other leaders and the masses.

Exhibits on Comrade Mao Zedong's deeds during the entire period of democratic revolution and the period of socialist revolution will be adjusted later.

RENMIN RIBAO EDITORIAL PRAISES MAO ZEDONG THOUGHT

HK270116 Beijing RENMIN RIBAO in Chinese 26 Dec 83 p 1

[26 December RENMIN RIBAO editorial: "Mao Zedong Thought Shines Forever"]

[Text] Today is the 90th anniversary of Comrade Mao Zedong's birth. In the course of their struggle to create a new situation in all fields of socialist modernization, the whole party and people of all nationalities in the country, with a feeling of great reverence, are commemorating Comrade Mao Zedong, who made immortal contributions to the Chinese revolution.

A great Marxist and great proletarian revolutionary, theorist, and strategist, Comrade Mao Zedong was one of the founders of our party and the main builder of the Chinese People's Liberation Army and the People's Republic of China. He began to devote himself to the Chinese revolution from the days of his youth and worked for it all his life. On many occasions he saved the party and state from crises, extricating the Chinese revolution from "predicament" [shan chong shui fu 1472 6850 3055 1788] and making it proceed toward "prosperity" [liu an hua ming 2692 2542 5363 2492].

The Chinese people have overthrown the "three big mountains" [imperialism, feudalism, and bureaucrat-capitalism] weighing heavily on their backs. The Chinese nation has ended the over 1 century of humiliation during which it was bullied and exploited by others, and it has stood up strongly in the east of the world.

Following the victory of its new-democratic revolution, China has further triumphed in socialist transformation and entered smoothly into a new socialist society, in which no exploiting class and exploiting system exist. All these are inseparable from the leadership of the CPC and of Comrade Mao Zedong.

The victory of the Chinese revolution was the most important event after the October Revolution in world history, and it has produced an enormous influence on the liberation struggle of the oppressed nations in the world. Also indelible are the contributions that Comrade Mao Zedong made to promoting the social progress of mankind, opposing war of aggression, and preserving peace in the world. In the long history of the Chinese nation many national heroes are held in deep respect by people from generation to generation, and there is no doubt at all that the most outstanding among them is Comrade Mao Zedong.

Comrade Mao Zedong's greatest exploit is that he combined the universal truth of Marxism-Leninism with the concrete practice of the Chinese revolution. In his famous work "On the People's Democratic Dictatorship" Comrade Mao Zedong stated: The salvoes of the October Revolution brought us Marxism-Leninism." "The Chinese people found Marxism-Leninism, the universally applicable truth, and the face of China began to change." Certainly, Marxism-Leninism, is the truth that enables the proletariat and laboring people to achieve liberation. In any country, however, if a Marxist does not apply the fundamental principle of Marxism-Leninism by proceeding from the conditions of his own country, it is impossible for him to have Marxism take root in his country and to properly direct his country's revolution and win victories in the struggle. This was especially the case in China, a big semicolonial and semifeudal country in the orient where conditions were exceptionally peculiar and complicated.

What the Chinese Communists are proud of is that Comrade Mao Zedong was the first one to be aware of this. He was the first one to put forward the slogan "oppose book worship" and to successfully integrate the Marxist-Leninist principle with China's actual situation, thereby forming a scientific guiding thinking in conformity with the Chinese conditions, namely, Mao Zedong Thought. It was only under the guidance of this scientific ideology that the Chinese revolution, after experiencing various twists and turns, embarked on a broad, smooth road and scored one victory after another. Naturally, Mao Zedong Thought is not a creation by Comrade Mao Zedong alone, but rather a crystallization of the collective wisdom of our party. Yet it is predominantly the thought of Comrade Mao Zedong. Just as Comrade Deng Xiaoping has said, "Without Chairman Mao, there would be no New China. There is not the slightest exaggeration in this."

Like many great figures in history, Comrade Mao Zedong, too, had his own shortcomings and mistakes. In particular, he made the serious mistake of launching the "Great Cultural Revolution" in his later years. After the smashing of the "gang of four," opinions varied in the party on the question of what attitude should be taken toward Comrade Mao Zedong and Mao Zedong Thought. Some comrades persisted in the "two what-ers" [we must resolutely support whatever policy decisions Chairman Mao made and consistently follow whatever directives he issued]. In reality these comrades wanted to resolutely continue the mistakes that Comrade Mao Zedong made in his later years without any change. There were also some comrades who had misgivings as to whether Mao Zedong Thought would still work and whether it should be upheld in days to come. In this connection, Comrade Deng Xiaoping was the first one to point out the requirement to completely and accurately understand Mao Zedong Thought, thus quickly enlightening the minds of all comrades in the party. The correct leadership of our party, represented by Comrade Deng Xiaoping, always adheres to the principle of seeking truth from facts in assessing Comrade Mao Zedong and Mao Zedong Thought; that is, it is necessary to resolutely rectify Comrade Mao Zedong's mistakes in his later years on the one hand and to firmly uphold his historical position and hold high the banner of Mao Zedong Thought on the other.

We distinguish between Comrade Mao Zedong's exploits and mistakes, affirming his exploits as primary and his mistakes as secondary. We distinguish Mao Zedong Thought, a scientific theory established after being tested through long history, from Comrade Mao Zedong's mistakes in his later years, pointing out that Mao Zedong Thought is a valuable spiritual asset of our party, and that it was, is, and will continue to be our party's guiding thought. We are not only opposed to the erroneous attitude of trying to deny the scientific value and guiding role of Mao Zedong Thought because Comrade Mao Zedong made mistakes in his later years, but also object to adopting a wrong dogmatic attitude toward Comrade Mao Zedong's sayings. We stress that we should enrich and develop Mao Zedong Thought through our new practice.

All these find a concentrated expression in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" Adopted by the 6th Plenary Session of the 11th CPC Central Committee. The great historical merit of this resolution lies in that it gives an overall and correct assessment of Comrade Mao Zedong's exploits and mistakes and upholds the scientific truth of Mao Zedong Thought and Comrade Mao Zedong's historical position. Because of its Marxist scientific nature and historical fairness, it has won great support from the party and people and has earned favorable comments from all friendly public figures in the world who are concerned about China's future. On this question concerning our overall interests, the "resolution" has distinguished between right and wrong and unified the people's understanding, thus strengthening the unity of the whole party and providing a fundamental guarantee for the healthy development of our party and the cause of revolution and construction of our country.

After the smashing of the "gang of four," especially since the 3d Plenary Session of the 11th CPC Central Committee, there have appeared a radical change in our country's outlook and a very gratifying situation in our economic, political, and cultural fields. The consensus in the whole country is that now is one of the best periods since the founding of the People's Republic. The progress we have made is the result of upholding and developing Mao Zedong Thought. We have accomplished many things in recent years.

In sum, we may say that two major things have been accomplished: One is eliminating chaos and setting things right and the other is achieving initial success in finding a road to build socialism with Chinese characteristics. Eliminating chaos and setting things to rights means eliminating the chaos that resulted from sabotage by Lin Biao and the "gang of four," correcting Comrade Mao Zedong's mistakes made in his later years, and returning to the correct road of Mao Zedong Thought. Of decisive importance in the course of eliminating chaos and setting things right is the reestablishment of the Marxist ideological line of seeking truth from facts. The ideological line of our party -- seeking truth from facts, proceeding from reality in doing everything, integrating theory with practice, and verifying and developing truth in the course of practice -- was formulated by Comrade Mao Zedong. He upheld this ideological line during most of the time when he led the revolution.

Our party unequivocally pointed out that seeking truth from facts is the quintessence of Mao Zedong Thought, and this basically restored the truth of Mao Zedong Thought. Only thus would it be possible for us to reestablish the Marxist political and organizational lines, to completely eliminate the negative consequences of the "Great Cultural Revolution," to correct the past "leftist" mistakes, and to get our work on all fronts onto the right track.

Building socialism with distinctive Chinese features means proceeding from the realities of our country in doing everything, relying on the wisdom and strength of the masses and following our own road. This gives profound expression to the principles of Mao Zedong Thought -- seeking truth from facts, following the mass line, maintaining independence, and keeping the initiative in our own hands -- and is an application under new historical conditions of the principles of integrating the universal truth of Marxism with the concrete practice of the Chinese revolution, a principle which Comrade Mao Zedong had upheld for a long time.

Now we have gradually set such a course, and the program of struggle put forward by the 12th party congress has reelected its main features, such as: The emphasis of the work of the party and the state must be shifted to socialist modernization with economic construction as its central task; while working for a high level of material civilization, we must strive to build a high level of socialist spiritual civilization; we must attain a high level of socialist democracy as one of our fundamental objectives and tasks in socialist construction; in economic construction, we must persistently do what is possible, work hard and vigorously, proceed orderly and step by step, uphold the principle that the change and improvement of the production relations must be suited to the conditions of the productive forces and be conducive to the development of production, and correctly handle the relationship between production and construction on the one hand and the livelihood of the people on the other, the relationships among agriculture, light industry and heavy industry, the relationship between the planned economy and market regulation, and the relationship between opening to the outside world and relying on our own efforts.

The basic spirit and principles of all these have been derived from Mao Zedong Thought and, on the basis of a conscientious summing-up of historical and fresh experiences, have greatly enriched and developed the theory of Mao Zedong Thought on socialist construction.

The fruitful work we have done in the past few years and the development of the country's inspiring situation further testify to the tremendous might of Mao Zedong Thought, and also show that in order to uphold Mao Zedong Thought we must develop it. Comrade Mao Zedong always taught us that Marxist theory is the guide to our action, not as ossified dogma. Naturally, we should also adopt such an attitude towards Mao Zedong Thought.

Mao Zedong Thought is a developing scientific theory, and its vitality lies in its continuous development with the development of practice by constantly analyzing and studying new situations and new problems arising in practice, and by integrating such analyses and studies with the concrete practice of revolution in various periods. Since the 3d Plenary Session of the 11th party Central Committee, our party has integrated Mao Zedong Thought with the concrete practice of the drive for the four modernizations. As a result, we have acquired an unprecedentedly profound understanding of China's conditions and the laws governing socialist construction, eventually found a way to build socialism with distinctive Chinese features, and thus greatly advanced Mao Zedong Thought. This has vividly shown that our party is good at upholding Mao Zedong Thought.

Although we have found the correct road, by no means can we say that we have fully mastered the objective laws governing socialist construction. In this regard, there still exists an immense realm that requires our comprehension as well as many specific laws for our study and exploration. As the practice of the four modernizations develops, new questions will arise one after another that will require us to correctly solve or give correct answers to. Therefore, we must more assiduously study Marxism-Leninism-Mao Zedong Thought, delve into realities in various fields, study new situations, sum up new experiences, solve new problems, and advance Mao Zedong Thought in the great practice of building socialism with distinctive Chinese features. This is the only correct attitude of Chinese Communists toward Mao Zedong Thought as well as our unshirkable history duty.

Any great nation has its own spiritual pillar and its own spiritual wealth to be proud of. To us, the first and foremost is Mao Zedong Thought. Mao Zedong Thought is a theoretical manifestation of the Great Revolution, a science for revolution that is deeply rooted in Chinese soil, and a creation of hundreds of millions of people in their revolutionary struggles over the past several decades. It is quite natural for the Chinese people to treasure it highly.

Mao Zedong Thought has brought tremendous wisdom and strength to our party and the people of our country in the past, and so will it in the future. Mao Zedong Thought is the guide to revolution as well as to construction, and it is the guideline for the development of socialist spiritual civilization and the sharpest weapon to defeat the decadent and declining ideologies of the bourgeoisie and all other exploiting classes. Some people in the world allege that we are engaged in "de-Maoism". The reality is just the opposite: Today, we have a more precise and comprehensive knowledge of Mao Zedong Thought, and we are more conscientious and steadfast in holding high the banner of Mao Zedong Thought and we will always march forward, holding this banner high.

Comrade Mao Zedong's historic contributions will never be obliterated!

The great Mao Zedong Thought shines forever!

HU YAOBANG ARTICLE HAILS MAO'S CONTRIBUTIONS

HK261505 Beijing RENMIN RIBAO in Chinese 25 Dec 83 p 1

[Article by Hu Yaobang: "How Best To Remember Mao Zedong"]

[Text] Chinese people of all nationalities should remember 26 December forever. It was on this day 90 years ago that our Comrade Mao Zedong was born.

The 100-year period -- 50 years before and 50 years after Comrade Mao Zedong was born -- witnessed dense dark clouds over China's skies, tempestuous uproars across China's land, and the Chinese people's repeated fierce struggles against their powerful enemies: imperialists from abroad and feudalism at home. An era of great struggles is bound to produce outstanding people and these outstanding people move history forward. Comrade Mao Zedong was precisely the greatest and most outstanding person in our country over this period of more than 100 years.

Progressive people throughout the world had long been concerned with the great struggles waged by the Chinese people. In 1857, when Marx and Engels learned of the surging revolution of the Taiping Heavenly Kingdom and the Chinese people's tenacious struggles against foreigners' aggression, they ebulliently predicted that still greater struggles would soon take place in China which would enable people to witness the dawn of a new era for all of Asia. When Lenin saw the spectacular upsurge of the Chinese revolution led by Dr Sun Yat-sen, he enthusiastically praised in 1913: The new fountain of super world storms is taking shape in Asia. He also held that storms in Asia would have an impact on Europe.

Although the pioneers of the Chinese democratic revolution were unable to change China's destiny, the predictions of the international Marxist teachers were fulfilled. The Communist Party of China came into being in 1921. Led by Comrade Mao Zedong and many other Marxist revolutionaries, the Communist Party of China finally carried out the behests of the high-minded patriots of modern Chinese history after 28 years of heroic, wave-upon-wave struggle waged with a new ideology and a large scope unknown to their predecessors.

The victory of the Chinese revolution was another leap in mankind's history of revolution following the October Revolution in Russia. Because the Chinese revolution took place in a country with about one-fourth of the world's population, it exerted tremendous influence on the course of world history. Not only did it finally end China's 2,000-year old feudal rule and the 100-year oppression of China by the imperialists, but it also opened up a road for the Chinese people to the communist society which will be infinitely beautiful. The great victory of the Chinese revolution filled Chinese people of all nationalities with exultance and struck a deep chord in the hearts of oppressed people and nations as well as in the hearts of progressive mankind.

No one could match Comrade Mao Zedong in terms of his position and role in the Communist Party of China and the Chinese revolution. He was one of the founders of our party and the principal founder of the glorious Chinese People's Liberation Army. He was the first to discover the correct road of the Chinese revolution when it was in the most difficult predicament. By constantly pooling the whole party's wisdom, he integrated the universal truth of Marxism-Leninism with the concrete practice of the Chinese revolution, worked out a correct general strategy, and formulated step by step a body of correct theories and policies. This is what we call Mao Zedong Thought.

Not only is Mao Zedong Thought an ideological weapon that has led the Chinese Revolution from defeat to victory and from victory to victory, but its stand, viewpoint, and methods of understanding and transforming the world serve as a guide for us to continue winning victories in our socialist revolution and construction. Comrade Mao Zedong's contributions are immortal. Mao Zedong Thought will shine forever.

It was not accidental that Comrade Mao Zedong could accomplish such great achievements. When he was still a young boy, he was determined to save the country. After he became a young man and a Marxist, he dedicated himself entirely to the Chinese people's liberation cause, for which he fought all his life. Although burdened with pressing military duties during the protracted revolutionary war years, he worked diligently to investigate, study, and think and never ceased his effort to learn from the people, the society, and his predecessors.

While he studied as a student, he also taught as a teacher. He never neglected the cultivation of a fine work style and a fine study style within our party. Those who met him were astounded by his profound knowledge and showed their admiration. His exceptional energy was associated with his great revolutionary aspiration. This revolutionary spirit of Comrade Mao Zedong's is always worth learning by us.

Comrade Mao Zedong's scientific thinking and revolutionary spirit cultivated one generation after another of Chinese Marxists. We can say that all of the backbone leaders at various levels in our party have been affected, influenced, and tempered by his scientific thinking and revolutionary spirit. I am also one of those who matured under his direct instructions. I first saw his face and smiles in 1933, and I first listened to his kind teaching face to face in 1936.

When I attended the Chinese People's Anti-Japanese Military and Political College in 1937, he taught his philosophic works "On Practice" and "On Contradictions" in my class. In the fall of that year, he recommended me to be the secretary of the college's general party branch. He told me that to make a success of the operation of the general party branch, it was first necessary to have a good college journal. After he read the first issue of the college journal, he criticized us for not writing articles ourselves, and then he volunteered to write the article "Oppose Liberalism," a renowned militant article denouncing liberal ideas. Here are just some of my recollections about my association with him before I was 21. His earnest instructions and exhortations later were numerous. My experience is only one of the thousands of examples that show how he loved and helped young party cadres. Our party has the future in its grip. When we think of the continuity of our party's cause, all veteran cadres should act as Comrade Mao Zedong did and take it as their important historical mission to love and care for the young cadres and help them mature.

Like many other great figures in history, Comrade Mao Zedong made mistakes. The serious mistakes he made in his later years put our party in a very difficult situation for a time. How should we appraise the mistakes of this prestigious and great leader who has just passed away? Some people in the party, particularly some who were in leading positions then, attempted to follow the wrong policies Comrade Mao Zedong had adopted in his later years instead of trying to restore and develop the extremely valuable legacy he left. Some well-intentioned comrades maintained that since they had followed Chairman Mao for several decades, their conscience did not allow them to criticize him. Some worried that open exposure of his mistakes would throw the party into confusion and cause a crisis of confidence. A small number of people went to the other extreme, attempting to write off in one stroke all the great contributions made by Comrade Mao Zedong because of his errors in his later years and wanted to lead the party in the wrong direction.

But our party did not succumb to such interference. Our party soberly realized that emotions should never replace revolutionary reason, and that metaphysical methods are by no means the strict dialectical materialism and historical materialism that we uphold.

Enlightened and patiently educated by the revolutionaries of the older generation who are still living, our party comprehensively appraised Comrade Mao Zedong and made a penetrating analysis of the reasons for his successes and failures and the lessons to be drawn. After several years of efforts to set things right, we have restored the original features of Mao Zedong Thought and developed it in certain ways under new conditions. The whole party, the whole Army, and the people of all nationalities throughout the country and all upright people around the world have come to see that our state can stand the test of any storm and that there is no crisis in our party; instead, it is full of vigor.

It is true that we still face many problems. Because of the vicious sabotage perpetrated by the Lin Biao and Jiang Qing counterrevolutionary cliques on the strength of Comrade Mao Zedong's errors, our party's organism has been seriously hurt and polluted with such filth and dust.

After basically accomplishing the task of putting things right, we have decided in good time to conduct party rectification. It is precisely intended to carry forward the fine traditions of our party, improve its political life, heal the wounds that have not yet had time to heal, and eliminate the filth and dust that have not yet had time to be eliminated.

All our theoretical workers, writers, and artists must treasure their glorious responsibilities as "engineers of the soul" and work to develop socialist culture and eliminate spiritual pollution and prevent its recurrence.

Ours is a big party with 40 million members. The people of the whole country are deeply concerned for a fundamental turn for the better in the work style of our party which occupies the leading position in the state's political life. Now that we have made careful and comprehensive arrangements and have the support of the masses of people both inside and outside the party, we are confident that after 3 years of party rectification our party will be able to grow in still greater strength and vitality and lead the country's 1 billion people toward the splendid goal set by the party's 12th congress.

The most arduous task now facing us is to build a strong and modernized socialist country in line with China's conditions; that is, to build socialism with Chinese characteristics as Comrade Deng Xiaoping advocated. Some comrades ask: Can we readily answer the question of what "socialism with Chinese characteristics" means? We say: There are no preconceived, ready answers and there cannot be such answers. What we do is to constantly enhance our understanding through practice under the guidance of correct theories. Just as Lenin said: Theory has to be vitalized, revised, and tested in practice.

Others say: If there are no ready answers, let us follow a mode that exists in other countries. We say: This will not do. Conditions differ in different countries; socialism in each country inevitably has that country's own characteristics. In a big country such as ours, which is also economically and culturally weak, peculiar problems are unavoidable in building socialism and it is necessary to take measures conforming to our own conditions.

Comrades who believe in following a general socialist pattern or copying a given model happen to have forgotten Lenin's famous saying: "The more forms, the better; the more forms, the richer the common experience and the more probable and quicker the victory of socialism; the more forms there are, the easier that practice will create -- because only practice can create -- (following words are underscored with dots for emphasis) still better (end of accompanying dots) forms and tactics of struggle. Practice is a great school. Let us carry forward in practice our revolutionary style of being brave in probing and strive to scale new heights of Marxism-Leninism-Mao Zedong Thought.

Comrade Mao Zedong's monumental contributions in finding a path through difficulties over past decades will always be a source of admiration and encouragement for us and inspire us in our courageous advance to accomplish the cause he left unfinished. We must exert ourselves.

HONGQI HAILS MAO ZEDONG, YANAN RECTIFICATION

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[Article by Feng Xianzhi: "The Yanan Rectification Is Comrade Mao Zedong's Great Contribution to Party Building"]

[Text] This year, when we are marking the 90th birthday of Comrade Mao Zedong, our party has just begun the all-round party rectification in accordance with the decision of the 2d Plenary Session of the 12th CPC Central Committee. The current party rectification will be another party rectification of great significance and far-reaching effect since the 1942 Yanan rectification. It is very meaningful for us to review the historical experiences of the Yanan rectification and to study in these particular days the relevant discussions of Comrade Mao Zedong. This is also a very good way to commemorate the late Comrade Mao Zedong.

The Yanan rectification was a most brilliant page in our party history; it was also a great pioneering undertaking in the international communist movement. It has played and continues to play a tremendous role in the course of our party building.

It was by no means accidental that the Yanan rectification should have taken place in the early 1940's. It was the inevitable necessity of the development of the Chinese revolution at that time, with a profound historical background.

Our party had a history of two decades from its founding to the early 1940's. During that period, the Chinese revolution had achieved great victories while suffering serious setbacks; there were experiences of successes and also lessons in failure. In order to lead the Chinese revolution to continue marching forward, it was extremely necessary for our party to sum up the experiences of the Chinese revolution so that the whole party might draw a demarcation line between the correct guiding ideology and the wrong one, further master the scientific thinking of combining Marxist-Leninist theory with the practice of the Chinese revolution, heighten the conscientiousness of implementing the correct line, principle, and policy, and on this basis, realize the unification of the whole party in ideology and politics and unanimity in action.

Between the Zunyi meeting and the Sixth Plenary Session of the Sixth CPC Central Committee, our party criticized and corrected Wang Ming's "Leftist" errors in the latter part of the 10-year civil war and his rightist errors at the initial stage of the war of resistance against Japan. Nonetheless, because there was not enough time to sum up systematically on a partywide scope the historical experiences and lessons of the party and to carry on overall ideological education from the top to the grassroots level with leadership, the pernicious effects of Wang Ming's errors, which were mainly subjectivism and sectarianism expressed in the effects of stereotyped party writing in the whole party, had not been eliminated. It impeded the unification and unanimity of the party, and even continued to bring injuries to the revolutionary cause in some regions and some aspects in a certain period. Some comrades within the party lacked correct understanding of Wang Ming's errors, while others, though they understood such errors, were not very clear about why such errors should have taken place and what could have been the causes of them.

After the war of resistance against Japan broke out, a large number of revolutionaries of petite bourgeois origin joined the party. They had revolutionary enthusiasm but had not received a comparatively systematic education in Marxism and had not gone through strict ideological remolding. They had brought with them into the party some petite bourgeois and non-proletarian ideas, feelings, and styles. It was easier for them to accept and appreciate some empty revolutionary phrases and to display shortcomings and defects that were counter to the requirements for the party spirit of the proletariat. These new party members accounted for an overwhelming majority in the party at that time. This provided certain soil for the growth of subjectivism, sectarianism, and party jargon in the party.

The CPC Central Committee and Comrade Mao Zedong initiated the partywide rectification campaign precisely to change the situation of incomplete unanimity in ideological thinking and the rather complicated ideological conditions inside the party. At that time, our party was at the most difficult stage of the anti-Japanese war, which was then locked in a stalemate. In order to overcome the difficulties, it was also necessary and possible to carry out a party-wide rectification.

The universal rectification at that time had gone through long-term preparations in politics, ideology, theory, and organization. As Comrade Mao Zedong put it, such preparations had been in progress since the Zunyi meeting, and the period of preparations could be roughly divided into two stages.

During the period between the Zunyi meeting and the time prior to the Sixth Plenary Session of the Sixth CPC Central Committee, Comrade Mao Zedong summed up the experiences of the Chinese revolution in its political line and military line separately, criticized Wang Ming's political strategy of "leftist" closed-doorism and his military "leftist" dogmatism, and formulated the correct political tactics and the strategy and tactics of the Chinese revolutionary war. He continued to sum up the experiences of the Chinese revolution on the high plane of Marxist world outlook and methodology, revealing the essence of the errors of dogmatism, and thus provided a powerful philosophical-ideological weapon for the party-wide rectification.

During the period between the Sixth Plenary Session of the Sixth CPC Central Committee and the time prior to the beginning of the 1942 party-wide rectification, our party corrected Wang Ming's error of rightist capitulationism at the initial stage of the anti-Japanese War. The dominating position of the correct line, with Comrade Mao Zedong as its representative, was further consolidated and strengthened in the whole party.

Comrade Mao Zedong continued to do a tremendous amount of work in ideological theory, systematically expounded the basic principle of Marxism on combining theory with practice, and criticized the erroneous ideas of subjectivism. At the proposal of Comrade Mao Zedong, the CPC Central Committee organized senior cadres of the party to study the basic theories of Marxism-Leninism, to study and do research on the party history, to sum up the historical experiences of the party, and to clarify what was right or wrong in the political line. As a result, a fundamentally unanimous understanding was reached on the basis of Marxism-Leninism and a basic condition was created for the party-wide rectification.

By the spring of 1942, the condition for a partywide rectification was ripe and the universal unfolding of the rectification campaign was then an inevitability. In February that year, Comrade Mao Zedong made the well-known speeches "Rectify the Party's Style of Work" and "Oppose Stereotyped Party Writing," and explicitly proposed that the tasks for the party-wide rectification should be opposing subjectivism so as to rectify the style in studying, opposing sectarianism so as to rectify the party's style, and opposing stereotyped party writing so as to rectify the style of writing. Thereupon, a party-wide universal rectification campaign began.

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The most important task of the Yanan rectification was to oppose subjectivism, to solve the contradiction between Marxism and subjectivism inside the party, and to arm the whole party with the principle of combining Marxist-Leninist theory with the practice of the Chinese revolution.

Over a long period of time, our party had been dominated by subjectivism. The injuries inflicted on the party by subjectivism had been extremely grave; it had almost ruined the cause of the Chinese revolution. Whether it was the rightist opportunism of Chen Duxiu or the "leftist" opportunism of Wang Ming, both their ideologies took root in subjectivism.

Nonetheless, people had not understood this problem for a long time. Therefore, errors had continued to take place in succession. Take the period of the Second Civil War. As soon as Comrade Qu Chiubai's error was corrected, there appeared the error of Comrade Li Lisan. No sooner was Comrade Li Lisan's error corrected than there was the error of Wang Ming.

There were mistakes time and again, while in their ideology there was one thing in common, namely, the divorce of theory from practice and the incongruity between the subjective will and the objective realities. They did not proceed from the actual conditions in understanding and solving problems, but proceeded from books or their subjective will or copied foreign experiences.

Since the Zunyi meeting, the CPC Central Committee, with Comrade Mao Zedong as its representative, had proceeded from the actual conditions and formulated and implemented a line, principles, and policies in conformity with the objective conditions which enabled the Chinese revolution to adopt a road of victorious development. It can be clearly seen from the positive and negative experiences of the Chinese revolution that to oppose and correct subjectivism in the guiding ideology of the party is a matter of life and death of our party.

Under the circumstances at that time, dogmatism, among various forms of the ideological methodology of subjectivism, was the greatest danger to the revolution. Dogmatists had once bewildered and captured many people, and it was not easy to reveal the errors of dogmatism and to eliminate its pernicious effects. The Marxist explanations which Comrade Mao Zedong made on the definitions of theory and theorists played an important role in exposing the deception of dogmatism.

He said: "There is only one genuine theory in the world, namely, the theory drawn from and again proved by objective practice. Save that, no other things in question are worth the name of theory." ("Selected Works of Mao Zedong," Vol 3, p 775) Only when we study and solve practical problems with a Marxist view is it possible for us to give the problem a scientific explanation and a theoretical demonstration and for us to become the theorists and needed by our party. ("Selected Works of Mao Zedong," vol 3, p 772)

These incisive discussions by Comrade Mao Zedong clarified some muddled ideas which had long existed within the party and raised people's ideological understanding to a new level, enabling some people who had committed errors of dogmatism or who had been deceived by it to widely wake up from their perplexity and to understand that empty theories divorced from practice were not genuine theories and that such "theories" were not only of no help but very harmful to the revolution. People who can only recite some phrases of Marxism-Leninism but do not apply them, or who do not know how to apply them can not be counted as theorists by any means.

In the struggle against subjectivism, with dogmatism as its chief expression, Comrade Mao Zedong specially emphasized that communists should devote their efforts to the study of the actual conditions of China, including its history and present conditions. It was necessary to have a grasp of the spiritual essence of Marxism-Leninism, to apply it to the concrete environment of China, to link Marxist-Leninist theories with the practice of the Chinese revolution, and to create new things in China.

Dogmatists such as Wang Ming precisely ran counter to this. They only talked about the experiences of foreign countries uncritically. They lived only on books and had fundamentally "forgotten their duty to learn and create new things." ("Selected Works of Mao Zedong," vol 3, p 756) They themselves had no positive initiatives, but destroyed the initiatives in others, suppressing the growth of all new ideas.

During their control of the whole party, revolutionary ideas were uninformed and their thinking became ossified. As a result, there was no vitality to speak of in the party, and the Chinese revolution was led almost into a dead alley. Therefore, the Yanan rectification had to primarily aim against dogmatism inside the party, in particular, Wang Ming's "leftist" dogmatism.

Stereotyped party writing was the expression of subjectivism in the style of writing; without the elimination of stereotyped party writing, lively revolutionary ideas would fail to be inspired, the truth-seeking spirit would fail to be carried forward, and there would still be a hiding place for subjectivism. Therefore, in order to thoroughly oppose subjectivism, it was necessary to oppose stereotyped party writing simultaneously.

We should point out: The struggle against subjectivism and dogmatism did not mean in any sense that the study of Marxist-Leninist theories could be relaxed or neglected in the least; instead, stronger stress on the important task of studying theory was made. In the party history, the reason why the erroneous leadership of dogmatism was able to dominate the whole party was precisely the weakness of a low level of understanding of Marxism-Leninism on the part of the whole party (and of course, the low level of understanding in the Chinese revolution). People failed to recognize the pseudo-Marxist-Leninist things spread by dogmatists, and even if they did, they lacked the theoretical weapon to fight against them.

Comrade Mao Zedong had long felt the seriousness of this problem. He not only proposed to the whole party the task of studying Marxist-Leninist theories, but earnestly practised what he advocated and devoted tremendous efforts in studying Marxist-Leninist theories with China's revolutionary practice, and had written many famous works on Marxism-Leninism. He also gave direct guidance to the leading comrades in the CPC Central Committee on studying Marxist philosophy.

The Yanan rectification was unfolded on the basis of the requirement that senior cadres should work hard to master Marxist-Leninist theories, while the theoretical level of the whole party was heightened in the course of the rectification. At the expanded conference of the Political Bureau held in September 1941, Comrade Mao Zedong proposed the theorization of the Chinese revolution in line with Marxism, so as to expound the importance of summing up the experience of the Chinese revolution with Marxist theories. This idea is of great theoretical value and significance in practice. Together with the idea of "making Marxism concrete in China," it has demonstrated the ideological principle of linking the universal truth of Marxism-Leninism with the concrete practice of the Chinese revolution in two aspects.

"The truth of Marxism-Leninism will rise only when subjectivism is overthrown." (Selected Works of Mao Zedong, Vol 3, p 758) The Yanan rectification criticized subjectivism, dogmatism in particular, on the one hand; on the other, it developed the principle of combining Marxism-Leninism with the practice of the Chinese revolution. Thus, the spirit of the broad party members was enabled to be emancipated from the bondage of subjectivism, in particular, dogmatism. That is why the Yanan rectification was said to be a great ideological emancipation campaign, which has opened up a broad way for the development of Marxism-Leninism in China.

The greatest feat of the Yanan rectification was to make the whole party master the fundamental orientation of combining Marxism-Leninism with China's revolutionary practice and to learn the method of solving practical problems of the revolution with Marxist-Leninist theories. Thus, it established the ideological unification of the party on this basis.

III

Opposing sectarianism was another major task for the Yanan rectification.

In order to realize the unification of the whole party, it was not enough to achieve unification in ideology; there also had to be unification in organization, with which to guarantee the unification of ideology. The struggle against sectarianism was to solve the problem of ensuring the unification of the whole party in the organizational line.

In the party history, subjectivism and sectarianism coexisted and were interdependent. While the guiding ideology was subjectivism, the organizational line was inevitably sectarian. Sectarianism developed with the growth of subjectivism, and conversely supported the domination of the leadership of subjectivism, helping the growth of subjectivism. Therefore, in order to thoroughly oppose subjectivism, it was essential to thoroughly oppose sectarianism at the same time.

After the Zunyi Conference, sectarianism no longer played the dominant role inside the party. However, its remnant still existed, for instance, mountain stronghold mentality, small group mentality, disunity between one department or region with another, and so on.

The various expressions of sectarianism within the party, as listed by Comrade Mao Zedong in "Rectify the Style of the Party," all had to be opposed and corrected.

However, the most dangerous of them, which would bring the greatest injury to the party, was the refusal to obey the leadership. It sabotaged the unification of the party, injured the unity of the party, and was fundamentally antagonistic to the organizational principle of the proletarian political party, and it had to be resolutely opposed and corrected in particular.

Those who refuse to obey the leadership fail to acquire an overall point of view. They are incorrect in handling the relation between the interests of the part and the interests of the whole, "they always put undue stress on that part of the work for which they themselves are responsible and always wish to subordinate the interests of the whole to the interests of their own part." ("Selected Works of Mao Zedong," Vol 3, p 779) They even injure and sacrifice the interests of the whole for the interests of the part.

They have no sense of discipline. They forget that the minority is subordinate to the majority, that the lower level is subordinate to the higher level, that the part is subordinate to the whole. In particular, they forget the most fundamental principle inside the party -- that the whole is subordinate to the party Central Committee. They disregard the principle that the party Central Committee is to concentrate the will of the whole party, holding themselves wiser than the party Central Committee. They attach no attention to the resolutions and instructions of the Central Committee, while going their own way; or obey part of them, while disobeying the rest, obeying the part that suits them, or vice versa. "They have confused the correct things as bringing forward the ability to work independently and the creativity of Marxism with erroneous things such as disobedience of the higher level, disobedience of the majority, disobedience of the party Central Committee, making the individual antagonistic to the party and above the party (making oneself conspicuous), and individualistic heroism (which differs from national heroism and heroism of the masses). (Outline for propaganda drafted by Mao Zedong for the Propaganda Department under the CPC Central Committee, 26 January 1942.)

They have no sense of unity. They fail to understand that the unity of the party is the lifeline of the party and that the unique center of unity of the party is the party Central Committee. The party organizations and work of any region or any department are an inseparable part, under the unified leadership of the Central Committee.

They have no sense of the masses. They are not willing to make the interests of their own minority subject to the interests of the whole party and the whole people. They only think of the interests of a minority of people and totally forget the interests of the whole party and the whole people. In cadre policy, they appoint people by favoritism but not on their merits. They draw people of their kind over to their side, while elbowing out and attacking those who disagree with their opinion. They gang up to be factions, forming a system of their own.

Zhang Guotao was an extremely grave example of asserting independence from the Central Committee of the party. Comrade Mao Zedong often cited this example to warn the whole party, to prevent the occurrence of such a phenomenon, and to eliminate various phenomena of disunification. Comrade Mao Zedong said: "We should encourage comrades to take the interests of the whole into account. Every party member, every branch of work, every statement, and every action must proceed from the interests of the whole party. It is absolutely impermissible to violate this principle." ("Selected Works of Mao Zedong," Vol 3, p 779) This should become a motto for every one of us communists.

Comrade Mao Zedong pointed out: Those who assert this kind of "independence" are usually wedded to the doctrine of "me first" and are generally wrong on the question of the relationship between the individual and the party. Although in words they profess respect for the party, in practice they put themselves first and the party second.

This analysis by Comrade Mao Zedong is applicable not only to those who assert independence, but to all who are engaged in sectarianism. To oppose sectarianism is in essence to solve the problem of the relations between the individual and the party and between the part and the whole.

Sectarianism is an expression of individualism of the bourgeoisie and petite bourgeoisie interwoven with the mentality of the feudal guild system inside the party. It is diametrically opposed to the party spirit of the proletariat and the spirit of communism. Those who have not gone through education in Marxism, those who have not been strictly trained in party spirit are easily stained with the mentality of sectarianism and make it grow in them.

Therefore, it is absolutely essential to conduct ideological education within the party in taking the interests of the whole into account, observing discipline, consolidating unity, and setting up ties with the masses, and to conduct education in the party spirit of subjecting personal interests to the interests of the party while advocating the spirit of communism. The struggle against sectarianism in the Yanan rectification was to conduct systematic education in this field among party cadres and the broad party members.

IV

The Yanan rectification was a struggle of Marxism against subjectivism, of proletarian ideology against non-proletarian ideology. In this struggle, various non-proletarian ideologies could not but give expression to themselves, and liberalism was one of the most conspicuous of them.

Liberalism existed rather universally and seriously inside the party at that time. Some people failed to tell right from wrong politically and ideologically, failing to criticize or wage struggle against erroneous speeches, but coexisted with erroneous ideas in peace and went so far as to show sympathy for them. They resented the practice of criticism of erroneous speeches and were sentimental toward those who had been criticized for their erroneous speeches, holding that the criticism had gone to extremes.

Some people advocated absolute freedom of speech and action; they denied and even felt disgusted with the party's principle and the sense of organization and discipline. They put their personal opinions in first place while caring not for organization and discipline. Grounded on the stress for "democracy," some people advocated the free development of various kinds of ideology and opposed the correction of erroneous ideas in accordance with party principle on the part of the leadership. Some people violated the party's principle, arbitrarily spreading all kinds of rumors that injured the party and the interests of the revolution, and so on and so forth. All these expressions of liberalism in ideology, politics, and organization gravely injured the unified will, unified action, and unified discipline of the party.

Therefore, it was very essential for the Central Committee of the party and Comrade Mao Zedong to regard correcting the trend of liberalism as an important part of the rectification to be carried out universally in the whole party.

When speaking of problems concerning the rectification, Comrade Mao Zedong and comrades in leading posts of the localities at that time, such as Comrade Deng Xiaoping, placed the struggle against liberalism on the same important plane as the struggle against subjectivism, sectarianism, and stereotyped party writing.

Directed at the situation of the flood of liberalism and various erroneous ideas, Comrade Mao Zedong proposed that it was essential to refute erroneous ideas in an organized way.

Speaking of this problem in a report made to an advanced study group on 28 May 1942, he said: In a place where communists are in the majority, it happens that no one stands out and refutes erroneous ideas when they appeal. Some people lack the courage to refute erroneous ideas when they actually know those ideas to be wrong. It is essential to expand the effects of Marxism, and erroneous opinions should not be developed. The growth of petite bourgeois ideology has affected the growth of the correct ideology of the proletariat in breadth. When an erroneous opinion occurs, a communist should uphold principle and immediately refute the opinion.

On the one hand, free expression should be given to whatever opinions; on the other, refutation should be organized against erroneous views. These two aspects are inseparable. This statement by Comrade Mao Zedong has demonstrated the firm Marxist stand which a communist should take.

The Zunyi Meeting held in January 1935 ended the domination of the Central Committee of the party by the "leftist" errors with Wang Ming as the representative, and reestablished the correct line.

However, there also appeared some mistakes and deviations after the Zunyi meeting; they were chiefly the growth of liberalism. Comrade Mao Zedong pointed out: Before the Zunyi meeting, the main trend within the party was "leftism" and struggle which had been carried to extremes. After the Zunyi meeting, the chief bad tendency within the party was liberalism. Though struggle which had been carried to extremes still existed, and in some places the phenomenon was still rather grave, it was no longer the main trend in the whole party. Nonetheless, some comrades who had committed "leftist" errors in the past, again committed mistakes of rightist liberalism after the Zunyi conference.

After the Zunyi meeting, our party implemented the correct policy of leniency inside and outside the party in correcting "leftist" errors. For instance, inside the party, whoever had committed a mistake would be dealt with in accordance with the lenient policy so long as he resolutely corrected himself. This policy had achieved a good result. Nonetheless, in the concrete implementation of this policy, it had been incorrectly explained by some localities and departments, resulting in changing the lenient policy into liberalism.

Short of a serious attitude in the treatment of cadres, some departments focused on unity and education while neglecting the criticism of and even necessary struggle against their errors. Comrade Mao Zedong pointed out: This was a misunderstanding of the policy of leniency, resulting in benumbing oneself and making oneself muddleheaded. The party's correct policy on cadres should be: First, unity; second, criticism should be practiced when mistakes occur. ("Mao Zedong's Speech at the Senior Cadres Conference of the Shaanxi-Gansu-Ningxia Border Area," November 1942) When opposing carrying struggle to extremes inside the party, it did not mean to substitute it with unprincipled peace within the party, eliminating active ideological struggle. We should correctly unfold criticism, uphold the truth, and revise our errors.

Back in 1937, Comrade Mao Zedong published the article "Combat Liberalism," listing the various expressions of liberalism inside the revolutionary contingent, revealing its essence and danger, and analyzing the root cause of its occurrence. This is a militant Marxist document. It inspired and guided the broad party members to carry on effective struggle against liberalism in the rectification campaign.

Comrade Mao Zedong pointed out: Liberalism conflicts fundamentally with Marxism. It is negative and objectively has the effect of helping the enemy. ("Selected Works of Mao Zedong, Vol 2, p 332) Marxism is, in essence, critical; it criticizes the old world, the bourgeoisie, and other bad things which are non-proletarian. On the other hand, liberalism eliminates ideological struggle and takes a laissez-faire attitude toward erroneous and ugly phenomena.

The elimination of ideological struggle means to give up the ideological fight of Marxism and to tolerate the attack of non-proletarian ideas against Marxism, permitting them to occupy the ideological field. The growth of liberalism will inevitably give rise to the spread of a decadent, Philistine attitude, "bringing about political degeneration in certain units and individuals in the party and the revolutionary organizations." ("Selected Works of Mao Zedong," Vol 2, p 330)

This problem is worthy of our watchful attention. Liberalism, in particular in politics, which regards the line, principles, and policies of the Central Committee of the party with an attitude of liberalism, is the gravest of dangers. Therefore, waging incessant struggles against trends of liberalism is an indispensable condition for building a unified and consolidated party.

Analyzing from an ideological-methodological view, the rise of liberalism inside the party is the failure to match one's deeds with one's words, "looking upon the principles of Marxism as abstract dogma," as Comrade Mao Zedong pointed out. Regarding its social cause, it is the ideology of the petite bourgeoisie, and from a historical view, it takes root in bourgeois liberalism. Our party has been surrounded for a long time by a multitude of the bourgeoisie. During the period of the war of resistance against Japan, class cooperation was practiced in breadth within the united front, bourgeois and petite bourgeois ideas attacked the party from all directions, decaying its body. Under such circumstances, the struggle against liberalism inside the party possessed a particularly important significance.

The fundamental method of the Yanan rectification was to practice criticism and self-criticism through checking up one's work and ideology on the basis of studying documents. In this sense, the Yanan rectification was a criticism and self-criticism campaign in breadth and depth inside the party. Whether it was possible to correctly unfold criticism and self-criticism was the key to success of the rectification.

Criticism and self-criticism is the chief method of solving contradictions within the party. There always exist the contradictions between the advanced and the backward, correctness and errors within the party. Some of them are the expressions of the contradictions between new and old things within the party, others are expressions of class contradictions within the party, and still others are contradictions in cognition. The party's progress is based on the incessant development and solving of these contradictions.

The party's vitality lies in the capability of adopting the method of self-criticism, continuously eliminating and overcoming its own shortcomings, mistakes, and backward things, and preserving and bringing forward its merits, advanced, and correct things.

If the weapon of self-criticism is done away with, the party will lose its vitality, deteriorate, and will even come to an end of its life. At a time when criticism fails to be carried on smoothly, when criticism and self-criticism have not yet formed an atmosphere within the party, the focus on the importance of criticism should be placed first and foremost.

Comrade Mao Zedong once demonstrated and emphasized criticism and self-criticism in line with Marxist methodology. He said: One of the basic methods of Marxism is analysis. Criticism is to implement the method of analysis. Work is a whole, criticism means to analyze our work, to point out its merits and shortcomings, to bring forward the good, and to get rid of the bad. To make an analysis of one's work and one's own history is to practice self-criticism, and to make an analysis of others is to practice criticism of others.

If one considers himself always in the right, makes no analysis of his own work, speaks only of his merits but does not touch upon his shortcomings and errors, it will be impossible for him to make progress in his work. Some comrades who have committed errors of subjectivism do not know the method of analysis. It is essential to take a modest attitude toward one's work, to understand that there is always room for improvement, and to constantly think of the fact that we have shortcomings and errors and that there is room for improvement in our work; only then is it possible for us to make progress. ("Mao Zedong's Speech at the Senior Cadres Conference of the Shaanxi-Gansu-Ningxia Border Area")

Wang Ming, the self-proclaimed 100 percent Bolshevik, was a person who knew nothing of the method of analysis. He affirmed everything concerning himself, with not the least spirit of self-criticism, while toward others (those who did not agree with his erroneous opinions) he would negate everything, wage cruel struggles against them, and deal relentless blows at them.

There are two kinds of criticism: One conforms to the actual conditions and is conducted with the correct method; the other, does not. Comrade Mao Zedong summed up the experiences and lessons in the party's history while proposing a whole set of correct principles and methods of practicing criticism appearing in the rectification. "Learn from past mistakes to avoid future ones, and cure the sickness to save the patient" is a general principle.

The principle of "learning from past mistakes to avoid future ones, and curing the sickness to save the patient" has two meanings. First, mistakes must be exposed without sparing anyone's sensibilities. It is necessary to analyze and criticize what was bad in the past with a scientific attitude so that work in the future will be done more carefully and done better. Second, our aim in exposing errors and criticising shortcomings, like that of a doctor curing a sickness, is solely to save the patient and not to doctor him to death. So long as the comrade who has made mistakes sincerely wishes to correct them, we should welcome him and cure his sickness so that he can become a good comrade. These two aspects are inseparable.

We must proceed from unity in criticism, and this is the premise. Nonetheless, it will be impossible to achieve unity without going through criticism and self-criticism, without clarifying what is right or wrong. This is the dialectic of unity and criticism. The formula of unity-criticism-unity is in opposition to the method of inner-party struggle of "cruel struggle and relentless attack" by "leftist" dogmatists, as summed up and generalized by Comrade Mao Zedong.

Of course, what we mean by proceeding from unity is proceeding from the unity of the whole party and from the interests of the people of the whole country, but not from the interests of a small group or a sector. This is an important principle.

We should adopt a good attitude in criticism and aim at helping those criticized. Toward our own comrades, we must adopt a comradely attitude. We should not go in for condemning our comrades in freezing irony and burning satire; we should never treat our comrades as we do the enemy. Comrade Mao Zedong said: "Criticism should be strict and acute, but at the same time it should be sincere, frank, and aimed at helping those criticized. Only with this attitude will it be favorable to unity. Freezing irony and burning satire are another kind of corrosive agent, which is unfavorable to unity." ("Mao Zedong's Speech at the Yanan Forum on the Correcting of JIEFANG RIBAO," 31 March 1942)

Criticism should be truth-seeking. Criticism should be based on facts and should be practiced correctly by analyzing the root cause and environment leading to the mistake with a scientific attitude. Particularly in dealing with ideological problems, it is necessary to reason fully. The practice of over-simplification and being rough will not help solve problems, but will intensify the contradictions.

As the Yanan rectification had implemented correct but not distorted, serious but not superficial criticism and self-criticism, it finally "achieved the two-fold objective of clarity in ideology and unity among comrades" ("Selected Works of Mao Zedong," Vol 2, p 892) and the unprecedented unity of the whole party.

VI

It is four decades since the Yanan rectification took place. In looking at this event 40 years afterward, more and more do we find its significance unfathomable.

Shortly after the rectification was universally unrolled, Comrade Mao Zedong expressed much determination, saying: It is necessary to thoroughly oppose subjectivism; it must be done well, and it is imperative for us to make such a determination. If the work is not done well, we will do it again; if a poor job is done in second time, we will do it a third time. To make it short, we will do the work thoroughly. If some people should oppose it, it is necessary for us to make explanations. If they are not convinced, we will make more explanations; we must make them completely convinced. To make it short, we must carry the work through to the end. We must rectify the three styles and let there be a thorough ideological change. (Speech by Mao Zedong concerning the rectification of the three styles, 21 April 1942).

As a result of years of concerted efforts by the whole party, the Yanan rectification achieved the purpose of changing the ideological condition of the whole party as Comrade Mao Zedong had expected. "Ensuring the unanimity of the party in ideology and politics and the purity of the composing elements of party organization" (Speech by Mao Zedong at the solree marking the 22nd Anniversary of the founding of the CPC and the 6th anniversary of the war of resistance against Japan, 1 July 1943) Our party stood before the Chinese people with a brand new feature.

The initiation and leadership of the Yanan rectification campaign was one of the great contributions of Comrade Mao Zedong in party building. On the basis of summing up the Yanan rectification, he set up a fine ideological style and work style for the CPC, formed a complete doctrine in party building, enriched and developed Marxism-Leninism in the theory of party building, and left us a precious spiritual wealth that should be passed down generation after generation. The Yanan rectification has educated several generations of Chinese communists, including the older generation of revolutionaries of our party. It is through them that the fine tradition formed in the Yanan rectification is passed down generation after generation, enabling our party to stand whatever test of hardship and danger.

The reasons for the tremendous success of the Yanan rectification were many, and the most important points are: First, the Central Committee of the party, with Comrade Mao Zedong as its representative, was united and unanimous, and they were unified in ideological cognition. Second, the party's line, principles, and policies since the Zunyi meeting had been proved to be correct by practice and understood by the broad party members. Third, the main trend of the party was good. Correct style and healthy strength had a dominant place inside the party, while unhealthy tendencies held a secondary place. Fourth, the Central Committee of the party formulated a whole set of correct principles, policies, measures, and methods in guiding the rectification campaign. Fifth, there had been long-standing preparations in ideology and theory.

Historical experiences have demonstrated that after our party corrected an erroneous guiding ideology that had dominated the whole party, reestablished the correct line, and realized a historic change, it was inevitable to unfold an all-round party rectification with unifying ideology and rectifying style as its main target.

This conforms to the law of historical phenomena. On the one hand, it is necessary to eliminate the remnants and efforts of erroneous ideas of the past; on the other, it is necessary to solve new problems emerging under the new historical condition so that the whole party may unite as one in leading the Chinese revolutionary cause to advance in big strides on the basis of Marxism-Leninism. It was so with the Yanan rectification, and it is the same case with the party rectification we are carrying on today.

However, our conditions today are greatly different from those of the Yanan days. Our party has become the leading party of the political power of the whole country, and the contingent of the party has grown much larger. Having gone through the 10 years of turmoil of the "Cultural Revolution," the party's fine style has been greatly sabotaged. The impurity of organization is more serious than it was in the Yanan days. The party is in a more complicated historical environment than it was before. The corrosion of various non-proletarian ideas has grown more serious, ideas which have corrupted and are corrupting some communists.

At the same time, our party is facing the complicated and arduous task of modernization. Therefore, the concrete tasks of our current party rectification are different from those of the Yanan rectification; it possesses new characteristics and new contents. It will not only universally carry on education in Marxism-Leninism and rectify ideological style as it did in the Yanan rectification, but will focus on the weeding out [qing li 3237 3810] in organization, which will be regarded as an important target in the current party rectification. Even so, the basic experiences of the Yanan rectification are still of realistic significance today; we have the same essential conditions for success as the Yanan rectification. In addition, our party has accumulated many new experiences. Therefore, we are sure to say that the current party rectification will certainly achieve the same great victory as the Yanan rectification.

Back in 1945, Comrade Mao Zedong explained the significance of the Yanan rectification at the height of summing up the historical experiences of the party. He said: We did not win victory either in the northern expedition war or the agrarian revolutionary war. This was because, objectively, the strength of imperialism and the KMT was powerful and, subjectively, it was because we were not spiritually prepared, we were muddleheaded, and there were mistakes in our policies.

At present, regarding the objective conditions at home and abroad, there is the possibility of our winning victory. The question is that we should be spiritually prepared. The rectification in recent years is to make spiritual preparation for the victory, to prepare the CPC for the nationwide victory. (Mao Zedong's speech at the central party school, 25 February 1945) The Yanan rectification in the forties had spiritually prepared conditions for the nationwide victory of the new democratic revolution. Likewise, we can also say that the current party rectification of the eighties is spiritually preparing the conditions for the victory of the socialist modernizations.

In his speech made in April 1942, Comrade Mao Zedong had this to say on the historical role of the Yanan rectification: To overcome the present difficulties, to welcome a bright future, and to create a new world, we should make the same estimation of the party rectification we are carrying on today.

NATIONAL COMMERCIAL EDUCATION FORUM HELD

HK240812 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 23 Dec 83

[Text] From 16 to 22 December a national commercial educational work conference was held in Kunming. The conference focused its discussion on further developing commercial education and speeding up the training of commercial personnel. Liu Yi, minister of commerce, and Song Keren, vice minister of commerce, presided over the conference. Some 300 persons in charge of educational work in commercial departments, grain departments, and supply and marketing departments of various provinces, cities, and autonomous regions, responsible persons of commercial departments and institutes of higher learning, and representatives of the departments concerned were present at the conference.

On the basis of summing up the successes in commercial education achieved by China since the 3d Plenary Session of the 11th CPC Central Committee, the conference discussed the orientation of and tasks in commercial education, and measures for fulfilling the tasks.

The conference pointed out: Commercial education must be carried out according to the specific needs of commercial development so as to speed up the training of personnel and to train qualified Red and expert personnel for the four modernizations of commerce. In 3 to 5 years we must be able to establish a professionally complete, rationally distributed, large-scale and full time commercial educational system which is in good structural coordination and under which cadres' education is combined with the education of staff and workers. In these few years we must expand the scale of commercial education, raise training capacity, strengthen basic construction, and improve teaching quality.

The conference also put forward specific requirements to be fulfilled by 1990 with regard to the number of students studying in commercial institutes of higher learning and technical secondary schools. To fulfill the above requirements, the conference approved the following measures:

1. Further enhance our understanding and strengthen leadership over commercial education.
2. On the basis of personnel analysis, formulate or revise commercial education plans.
3. Gradually increase intellectual [word indistinct].
4. Further implement the policy concerning intellectuals and improve the quality of the teacher contingent.
5. Actively support commercial education in minority nationality regions and remote areas.
6. Strengthen the building of the educational cadre contingent.

The Yunnan provincial commercial educational work conference also was held in Kunming on the same dates and those attending this provincial conference also took part in some of the activities of the national commercial educational work conference.

FOREIGN MINISTRY AIDE WARNS AGAINST ZHAO TRIP 'TRAPS'

OW240423 Taipei CNA in English 0324 GMT 24 Dec 83

[Text] Taipei, Dec 24 (CNA) -- Foreign Ministry Spokesman Wang Chao-yuan Friday warned the free world not to fall into the traps Chinese Communist "Premier" Chao Tzu-yang is setting for this scheduled visit to the United States in January. Speaking in a press conference at the Government Information Office, Wang told the reporters that Chao will fully utilize during his visit the opportunities he finds to exploit the deteriorating relations between the U.S. and Russia.

While trying to obtain more capital investments and high tech equipment from the U.S. Chao will also sow discord to undermine the substantive relations between the U.S. and the Republic of China. He said the Peiping regime is playing the U.S. card in order to build up its pile of chips in its normalization talks with Russia. The government here has explained this to the U.S. through proper channels, Wang said.

Citing the work performances achieved in the past year, Wang said the ministry has created diplomatic relations with several newly emerging nations, including the Solomon Islands, Dominica and St. Kitts and Nevis. In the meantime, this country has also strengthened bilateral relations with nations in the West and South Pacific, including Fiji and the Marshall Islands. In the first 11 months of this year, he said, the government and private organizations had participated in 599 international conferences and 85 similar activities abroad.

During the press conference, Gen. Wang Miao, military spokesman for the Ministry of National Defense, said the Chinese Communist Air Force had tightened their control after their pilots Wu Jung-ken, Sun Tien-chin, and Wang Hsueh-cheng flew their MIG fighters to freedom. He said the communists had imposed various measures on their pilots including investigation of backgrounds and education. Mock interceptions and shoot and kill exercises were staged along coastal areas where the pilots may take off and fly their aircraft to freedom, Gen Wang said.

CONTROL YUAN MEMBERS ON WEAPONS IMPORTS FROM U.S.

OW221432 Taipei TZU LI WAN PAO in Chinese 15 Dec 83 p 1

[Text] Taipei -- Control Yuan members Wang Chueh-yung and Tsai Hsia-li today put forward an inspection report on foreign affairs. The report points out that the United States sold some items for military use to our country in 1982. It is estimated that during fiscal year 1983 the total amount of such sales will be U.S. \$800 million. The listed amount of such sales in fiscal year 1984 is less than U.S. \$800 million, which is less than the previous year. The United States also refuses to sell weapons with relatively high capability actually needed by our country. Accordingly, it is still difficult to strengthen our defensive power. The two Control Yuan members held that we should strive to overcome obstacles and urge the U.S. side to provide us with adequate weapons in accordance with the Taiwan Relations Act in order to ensure our security and maintain peace and prosperity in the Western Pacific.

The inspection report also points out that according to the Taiwan Relations Act, our country should be permitted to set up 15 offices in the United States. However, we now have only nine offices in the United States, in addition to our office in Washington, D.C., and so we should actively discuss the matter with the U.S. side in order to open additional offices for normal operations.

DISPUTE WITH ROK ON HIJACKING ISSUE CONTINUES

OW251948 Taipei CHINA POST in English 22 Dec 83 p 12

[Text] Diplomatic relations between the Republic of China and South Korea have turned volatile as activity between the diplomatic corps of the two countries has escalated in the wake of the upholding of jail terms for six freedom seekers convicted of hijacking by a Seoul Court. ROC Ambassador Hsueh Yu-chi met with South Korea's Foreign Minister and 1st deputy yesterday morning to discuss further appeals for the release of the six freedom seekers. Foreign Minister Chu of the ROC has summoned Korean Ambassador Kim Chong-kon three times since the six arrived in South Korea.

Minister Chu told Ambassador Kim that the ROC Government is definitely displeased with the decision of the South Korean district court in the case of the six freedom seekers. In addition, Minister Chu expressed the ROC Government's attitude on the ways the Korean authorities handled the six and the hijacked civilian jetliner in the most vigorous rounds of diplomatic talks ever believed to have been held between the two countries.

Nondiplomatic friendly relations between the two countries halted as the Keelung Municipal Police station announced that all friendly activities and ties with the Korean Pusan police station will be stopped until the result of the six freedom fighters turns optimistic. Sisterhood ties were originally scheduled to be forged between the Keelung Municipal Police and Pusan police in South Korea this month. The unilateral refusal to follow through with the alliance by the Keelung station was seen an expression of discontent and regret.

According to officials of the ROC Ministry of Foreign Affairs, full efforts will be made through diplomatic channels and legal procedures to secure the freedom of the six freedom seekers.

Although legal measures might not work well in this context, a pardon to release the six by South Korean authorities will probably be the ultimate resort, pointed out many experts in internal and international laws in this country. Political measures and diplomatic bargaining are expected on the part of the ROK Government and people alike to secure the rights of the six freedom seekers. Nearly all social organizations, at home and overseas, were reported to be joining in this move to secure the release of the six.

FOREIGN TRADE IN 1983 REACHES RECORD HIGH

OW252045 Taipei International Service in English 0100 GMT 23 Dec 83

[Text] Premier Sun Yun-hsuan has said the Republic of China foreign trade this year will reach a record high of \$45 billion as a result of an upturn in the economic situation and the cooperation between the government and the people. Sun made these remarks at a meeting of the Executive Yuan after listening to an economic report by Chairman Yu Kuo-hua of the Council for Economic Planning and Developments. He called on the people to further their efforts to accelerate the economic growth.

Sun said the nation has been able to attain the goal of economic recovery before the end of this year for several reasons. One is that the government took vigorous measures to relieve industries and businesses of difficulties during the recession, to inspire private willingness to invest, and to further develop overseas markets. Another is the close cooperation of the private sector. The third is the stable recovery of the world economy.

Chairman Yu said the foreign trade in November continued to grow, amounting to \$4.34 billion, the highest in a single month. He said the situation of economic recovery of the nation has become more and more bright. Mr Yu pointed out that electronic and electrical engineering products have replaced textiles for 3 consecutive months as the greatest export items. This shows that the manufacturing structure and nature have been improved. However, Yu said the competition in these new leading items becomes more and more fierce on the world market. He urged the manufacturers to strengthen research and development and the introduction of advanced technology and management to promote their competitiveness.

Export of electronic engineering products in November totaled \$510 million, 57.6 percent more than in the same period of 1982. The Republic of China enjoyed a surplus of \$600 million in November with the U.S. which absorbed 46.2 percent of its export. Export to the U.S. during the January-November period grew 29.6 percent from the same period in 1982 while imports from the U.S. increased by a mere 1.2 percent.

Exports to Japan also increased in November while the Republic of China deficit with Japan amounted to \$380 million. The deficit with Japan in the first 11 months of the year reached 2.77 billion dollars, 550 million more than in the same period in 1982.

MINISTER VIEWS COOPERATION WITH SAUDI ARABIA

OW241047 Taipei CNA in English 0343 GMT 24 Dec 83

[Text] Taipei, Dec 24 (CNA) -- Communications Minister Lien Chan indicated Friday that cooperation between the Republic of China and Saudi Arabia will be further expanded in the years ahead based on the present solid foundation. Saudi Arabia has contributed greatly in maintaining peace in the Middle East, stabilizing economic development in the world, and upholding justice for humanity, Minister Lien pointed out.

During his stay there, he said he has been touched by the deep friendship and feeling of the Saudi Arabian Government and its people toward the Republic of China. He is confident that relations between the two nations will further grow, he added. To expand technological cooperation with Saudi Arabia, he said he had held two meetings with the kingdom's communications officials and signed a cooperation agreement during his visit there.

Under the agreement, the Chinese Government will dispatch engineers and specialists in communications projects to help Saudi Arabia construct highways. Highway engineers of the two nations will also exchange visits, Lien said. Rapid developments in Saudi Arabia have built the kingdom into a modernized nation in recent years. Some major projects, such as the international airport and the freeway in Riyadh, were constructed alone or jointly by the Chinese engineering companies, the minister said.

The Saudi Government has high esteem for the Chinese technicians and highly regards their contributions and their hard work in the field. Saudi King Fahd ibn 'Abd al-'Aziz al-Sa'ud and many Saudi officials especially expressed their appreciation to him when they met, the minister stated. Minister Lien left Taipei December 14 and returned Friday.

LUXEMBOURG SOCIALIST PARTY GROUP VISITS

OW261041 Taipei CNA in English 1005 GMT 26 Dec 83

[Text] Taipei, Dec 26 (CNA) -- A twelve-member mission of the Socialist Workers Party of the Grand Duchy of Luxembourg, led by the Honorable Benny Berg, member of Parliament and concurrently parliamentary group leader of the Socialist Workers Party, arrived in Taipei Monday for a week-long visit.

While here, they will call on Premier Sun Yun-hsuan, President Nieh Wen-ya of the Legislative Yuan, and other Chinese Government officials. They will also visit cultural and economic establishments of the Republic of China. The visitors are scheduled to depart on January 1.

PRESIDENT OPPOSES NATIONAL ASSEMBLY ENLARGEMENT

BK250936 Hong Kong AFP in English 0901 GMT 25 Dec 83

[By Calix Chu]

[Excerpts] Taipei, Dec 25 (AFP) -- President Chiang Ching-kuo today voiced opposition to any revision of temporary provisions in the Nationalist Constitution aimed at enlarging the representation of the National Assembly, the nation's presidential electorate. Addressing the 1983 convention of the assembly, President Chiang said the system of government under the present constitution should not be amended.

So long as the nationalist government, established under the Constitution, exists, the legality of the Republic of (Nationalist) China exists, he added. The important thing is that "we promote the spirit of the Chinese Constitution and make it shine forever," he added.

President Chiang's remarks were apparently linked to a recent debate in Taiwan over whether more Taiwan-born representatives should be added to the National Assembly as most incumbents were elected on the Chinese mainland over 30 years ago. Taiwan will elect a new president for a six-year term next March.

On December 3, the ruling Kuomintang (Nationalist) Party swept to a landslide victory in an election for the Legislative Yuan, winning 62 of the 71 seats at stake. President Chiang said the Constitution symbolized democracy, freedom and justice, adding that it was not only the basic law of the land but also the instrument to protect civil rights, ensure social order, and promote social welfare.

He noted that since the Nationalist Chinese Government was founded in 1912, its history should be divided into two periods: In the first 36 years, leading to the adoption of the Constitution in 1947, the nation had experienced invasion from abroad and resurrection at home, he said. In the second period, the nation saw the usurpation of power by the Chinese Communists on the mainland, and the upholding of the constitutional rule on Taiwan, he continued. "If the people follow the road of democracy," the president told the assembly, "our constitutional rule will continue to grow and become richer in content."

More than 1,000 National Assembly members, leading government officials, including former President C.K. Yen, presidents of the five government yuan (departments) and local government officials attended the convention.

PRESIDENT SAYS NATION 'MADE GIANT STRIDES' IN 1983

OW251428 Taipei CNA in English 1418 GMT 25 Dec 83

[Text] Taipei, Dec. 25 (CNA) -- President Chiang Ching-kuo Sunday presided over a ceremony marking the 1983 Constitution Day, the opening of the 18th plenary meeting of the Committee on Constitutional Research, and the annual meeting of the first National Assembly at the Taipei City Hall. Addressing the ceremony, President Chiang said that the Republic of China has made giant strides in various fields in the past year. Citing the 10 biggest events of the year as examples, the president said the efforts of the government and the people in the past 30 years have set a sound foundation for the nation for continuous progress and advancement.

President Chiang told the participants in the meeting that the successful freedom seeking actions by the former Chinese Communist Air Force pilots Sun Tien-chin and Wang Hsueh-cheng has been the most cheerful event of the year. He also mentioned the following activities as most significant (?) contribute to the nation's development in politics, economy, culture and education:

- The election of new members of the Legislative Yuan in early December.
- The development of national defense science and technology to reinforce the nation's military strength and fortify the combat readiness.
- The gradual recovery of economy from recession and a new record set for the nation's exports.
- Bumper harvest which has surpassed the target.
- The construction of the third nuclear power plant is nearly completed and the Hsingta thermal power plant has begun its operation.
- The Kuantu Bridge designed and built solely by Chinese has opened to traffic.
- The national flag carrier China Airlines has extended its flight route to Europe.
- The effectiveness of the government's campaigns for the promotion of science and technology development and cultural activities.
- Altogether 55 companies have been set up in the science-based Hsinchu industrial park and the products of these companies have been exported to all over the world.

On occasion of the Constitution Day, President Chaing said the Constitution of the Republic of China was adopted on December 25, 1946 and became effective on the same date in 1947. He pointed out that the Chinese Communists usurped the Chinese mainland in the late '40's and spoiled the government's efforts to fully implement a democratic and constitutional rule.

Nevertheless, the president said that the Republic of China has continued to function in accordance with the nation's Constitution and much progress has been made to pave road to constitutionalism.

President Chiang emphasized that the Constitution is the legitimacy of the Republic of China. As long as the nation functions in accordance with Constitution, the legitimacy of the ROC can never be denied.

The president also reiterated the nation's policy of no compromise with the Chinese Communists. It is the stand of the ROC that China must be reunified under the constitutional system of San Min Chu I and under the name and the banner of the Republic of China, he said.

The meeting was also attended by Vice President Shieh Tung-min, former President Yeh Chia-kan, presidents of the five yuans, members of the National Assembly and other ranking officials.

MINISTER REITERATES POLICY ON COMMUNIST CONTACTS

BK240849 Hong Kong AFP in English 0833 GMT 24 Dec 83

[Excerpts] Taipei, Dec 24 (AFP) -- Foreign Minister Chu Fu-sung today reiterated his government's policy not to negotiate, not to compromise, and not to have contact with the Chinese Communist regime. Addressing the 30th annual session of the "Planning Commission for the Recovery of Mainland China," Mr Chu accused Beijing of enhancing its united front ploy aimed at coaxing Washington into stopping arms sales to Taiwan, abrogating the Taiwan Relations Act, and forcing Taipei to accept peace talks.

Mr Chu also accused Beijing of sabotaging Taiwan's relations with countries in Central and South America and hindering Taipei's efforts in promoting ties with nations in Western Europe and Southeast Asia so as to further isolate the Nationalist Government. He told members of the commission that the Chinese Communists were currently presently engaged in a large-scale purge linked with a struggle between the powerholders around paramount leader Deng Xiaoping and their rivals. He said that the results of the struggle should be known in the next three years.

Meanwhile, Wang Chang-cing, vice chairman of the Council for Economic Planning and Development (CEPD), reported to the commission that Taiwan has trade relations with 160 countries, as compared with the total of 145 countries when Washington switched its diplomatic relations from Taipei to Beijing in 1979. Mr Wang said the increase showed that Taiwan had managed to tide over various difficulties spawned by the three economic recessions since 1973 and to overcome the serious blows created by the break off of diplomatic ties with Washington. Mr Wang said 22 countries had trade representatives in Taipei, where there are also a total of 31 foreign bank branches now.

CNA Report

OW251422 Taipei CNA in English 1346 GMT 25 Dec 83

[Text] Taipei, Dec. 25 (CNA) -- Chinese Foreign Affairs Minister Chu Fu-sung said Saturday that the focus of the Republic of China's foreign (?activities) is largely placed on the enlargement and (?strengthening of) existing relations with friendly nations and the promotion of substantive relations with countries which have no diplomatic ties with ROC. Besides, this nation is also making vigorous efforts to win over newly emerging nations to augment its diplomatic lineup. Chu made the remarks while reporting on the international situation and this nation's foreign policy at the Planning Commission for the Recovery of Mainland China.

In addition to reiterating its fundamental policy of being anticommunist, this nation, Chu said, will hold its firm stand of no talks, no compromise and, no contact with Chinese Communists.

In order to destroy the Republic of China the Peiping regime has attempted to isolate the ROC by all means in the international community and to strengthen its united front plot toward this nation, Chu said. In the past two or three years, Chu pointed out that people in the free world, especially people in the United States, have gradually recognized the conspiracy of the Chinese Communists. However, Chu stated that there are still many people who are under illusion about the Chinese Communists. This nation will continue to spare no efforts to reveal the ugly face of the Chinese Communists, he added.

Chu also noted that this nation will keep close watch over the development on China mainland where a rectification campaign has been launched recently by the Chinese Communists. This rectification campaign is really a struggle between powerholders and their opponents, Chu noted. In the past decades, Chu stressed, this nation has made great achievements politically, economically, and militarily under the joint efforts of the government and people, which has won acclaim from the international community. This nation will surely create a new phase in diplomacy as long as the government and people join hands to make continuous efforts, Chu asserted.

LEFT-WING PAPERS DOWNPLAY STATEMENT ON 1997 ISSUE

HKZ60Z12 Hong Kong SOUTH CHINA MORNING POST in English 26 Dec 83 pp 1, 6

[Article by Daniel Chung]

[Text] Leftwing newspapers have refused to publish a recent statement on Hong Kong by a senior Chinese official. An agency report from Germany on a statement by Mr Huan Xiang, the director of the Peking Institute for Foreign Affairs, was absent from both TA KUNG PAO and WEN WEI PO yesterday.

Two other leftwing newspapers, the NEW EVENING POST and HONG KONG COMMERCIAL DAILY, published selective reports on the statement on Saturday afternoon and yesterday respectively -- deleting all of Mr Huan's references to Hong Kong and only carrying his views on other international issues.

Political observers view the action as an indication that Mr Huan's comments on Hong Kong are incompatible with China's stance and its central policy on the 1997 issue. According to the agency report, Mr Huan said in an interview with the West German magazine DER SPIEGEL that the Hong Kong issue was "simply a question of a lease agreement."

Mr Huan reportedly discounted suggestions of a comparison between the status of Hong Kong and that of the Soviet Far East provinces -- which once belonged to China. "The Russian Far East provinces were actually ceded by treaty, while 96 percent of Hong Kong was only leased, and the lease ends in 1997. The British have no right to stay there," he was quoted as saying. Secondly, 98 percent of Hong Kong's population is Chinese, whereas in the Russian-occupied Far East region there are no Chinese nowadays, only Russians.

"It is simply a question of a lease agreement and leased property must be returned when the agreement expires," said Mr Huan. The agency report also quoted him as having told the magazine that anyone in Hong Kong who does not wish to live under China's rule can leave. And he said China would not countenance a referendum on the future of Hong Kong.

"Why should we hold a referendum? There is no justification for it," he said. Mr Huan came to Hong Kong in September with two noted Chinese economists.

Political observers said yesterday his view on the Hong Kong issue -- particularly concerning the lease aspect -- is contradictory to what China has been saying. And his remark that "anyone in Hong Kong who does not wish to live under China's rule can leave" is also considered to be a departure from China's pragmatic approach towards Hong Kong.

The chairman of the Hong Kong Prospect Institute, Dr Lao Szekuang, said Mr Huan's statement implied recognition of the validity of the 1997 lease on Hong Kong, which is not accepted by China. Peking considers the three treaties on Hong Kong are unequal. It reacted strongly to a statement by the British Prime Minister, Mrs Margaret Thatcher, in September last year when she spoke of the validity of the treaties.

Dr Lao pointed out that Mr Huan's action in singling out the 1997 lease from the treaties was also not in line with China's current policy. "China has been saying it will deal with the territory as a whole. But Huan's statement may convey the message that Hong Kong Island can be handled separately with the rest of the territory," he said.

His view was shared by Mr Steve Chin, a research officer at the Hong Kong University's Centre of Asian Studies, who said he suspected that Mr Huan "doesn't quite understand China's policy on Hong Kong's future. 'Obviously, what Mr Huan said about Hong Kong is in contrast with the much-published view of the central Chinese government,'" he said.

Mr Chin suggested the statement by Mr Huan seemed to say both the lease treaty on Hong Kong and the treaties that ceded northern Chinese territory to the Soviet Union should be respected. Applying this logic, he said, it was not necessary for China to recover the sovereignty of Hong Kong Island. Mr Chin said the refusal of the leftwing newspapers to run Mr Huan's statement was understandable as they were careful not to carry any 1997 news that would irritate the Hong Kong people.

U.S. URGED TO END TEXTILE IMPORT RESTRICTIONS

HK200705 Hong Kong WEN WEI PO in Chinese 20 Dec 83 p 3

["Random Talk" by Chao Tung: "So Much for 'Trade Equality!'"]

[Excerpts] On the eve of the presidential election, Reagan, hoping to gain votes and curry favor with cotton textile bosses, imposed new limitations on the import of textiles, stipulating that imported textiles cannot exceed 20 percent of the total U.S. textile products.

The United States' move of imposing one-sided limitations is a move of shifting the economic crisis onto others and of benefiting for itself at the expense of others. This cannot but arouse opposition from the Third World, and China will certainly not resign from the adversity.

The United States has always had a favorable balance in Sino-U.S. trade. Trade between countries should be carried out on the basis of equality and mutual benefit and supplying each other's needs. Because China's industrial level is low, it can export mainly cotton textiles and handicrafts to the United States in exchange for machinery, electronic products, lumber, and synthetic resin. But the United States has looked upon its trade as the savior bestowing favors on others. I can impose limitations on your commodities imported to my country, but my commodities will enter your market unimpeded. Even U.S. import organizations have condemned the Reagan administration for playing the role of a "god," pointing out that the "White House import limitations are seriously undermining the U.S.-Sino textile and multifiber agreement."

In Sino-U.S. trade, the United States has imported a large quantity of cotton textiles. But it has also increased by a large margin the export of synthetic resin and computers to China. Comparing the above two aspects, we know that the United States still has a favorable balance. The increase in exports will also create favorable conditions for employment in the industrial enterprises in the United States.

If the United States thinks that it can carry out unequal trade by imposing limitations on the exported goods of other countries, it will only harm others but not benefit itself. In doing so, the United States will stifle Third World industry. As a result, the Third World will not be able to increase imports from the United States due to the decrease in income from foreign exchange.

President Reagan once asserted: "Free trade is the only way to promote prosperity in the world. If a government interferes in trade, world peace will also be affected." If the United States is concerned about cooperation with China, Reagan should stop his limitations, which have been imposed in a one-sided and tyrannic manner. He should adopt the attitude of consulting with other countries on an equal basis.

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